2023 Annual Report

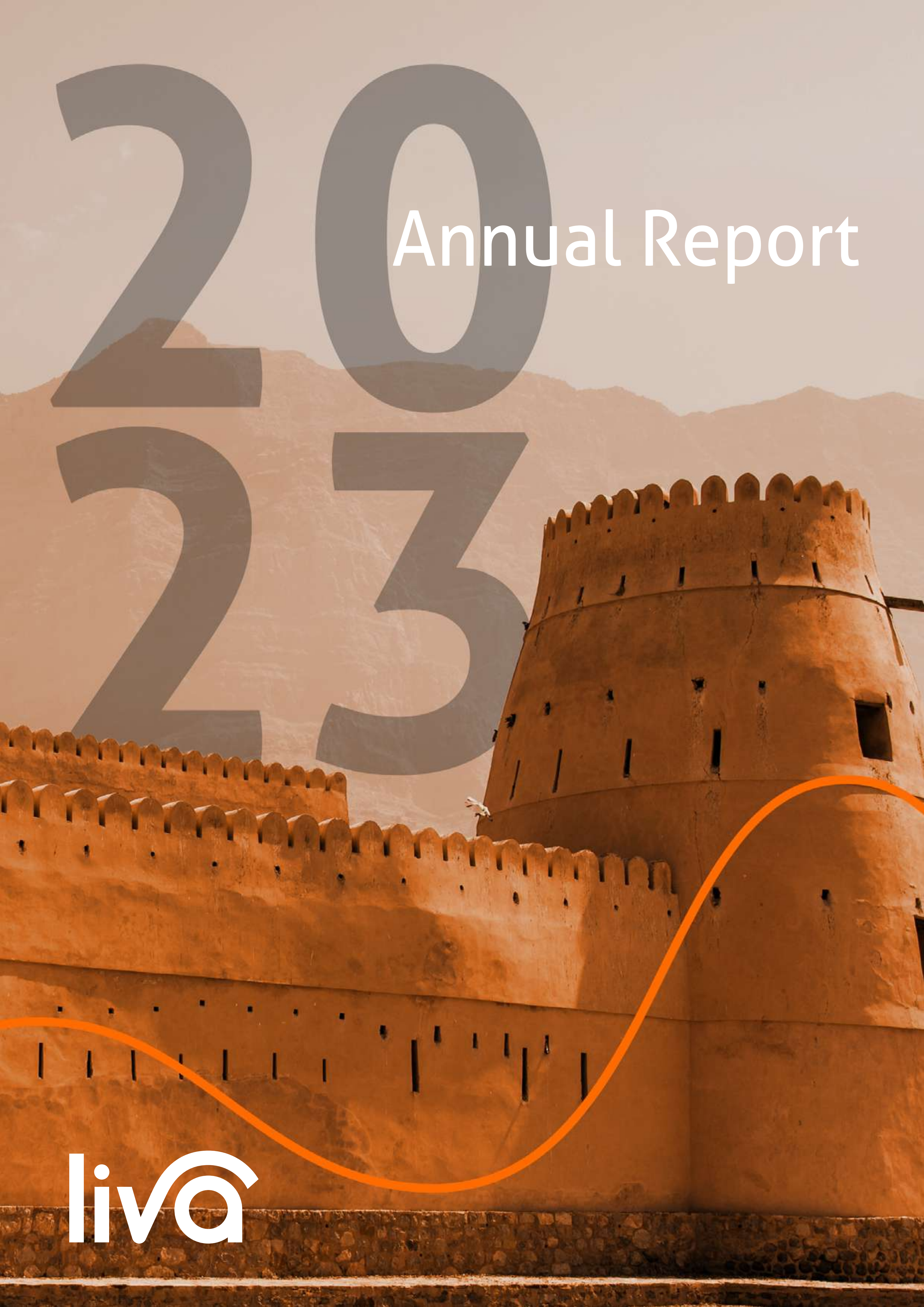
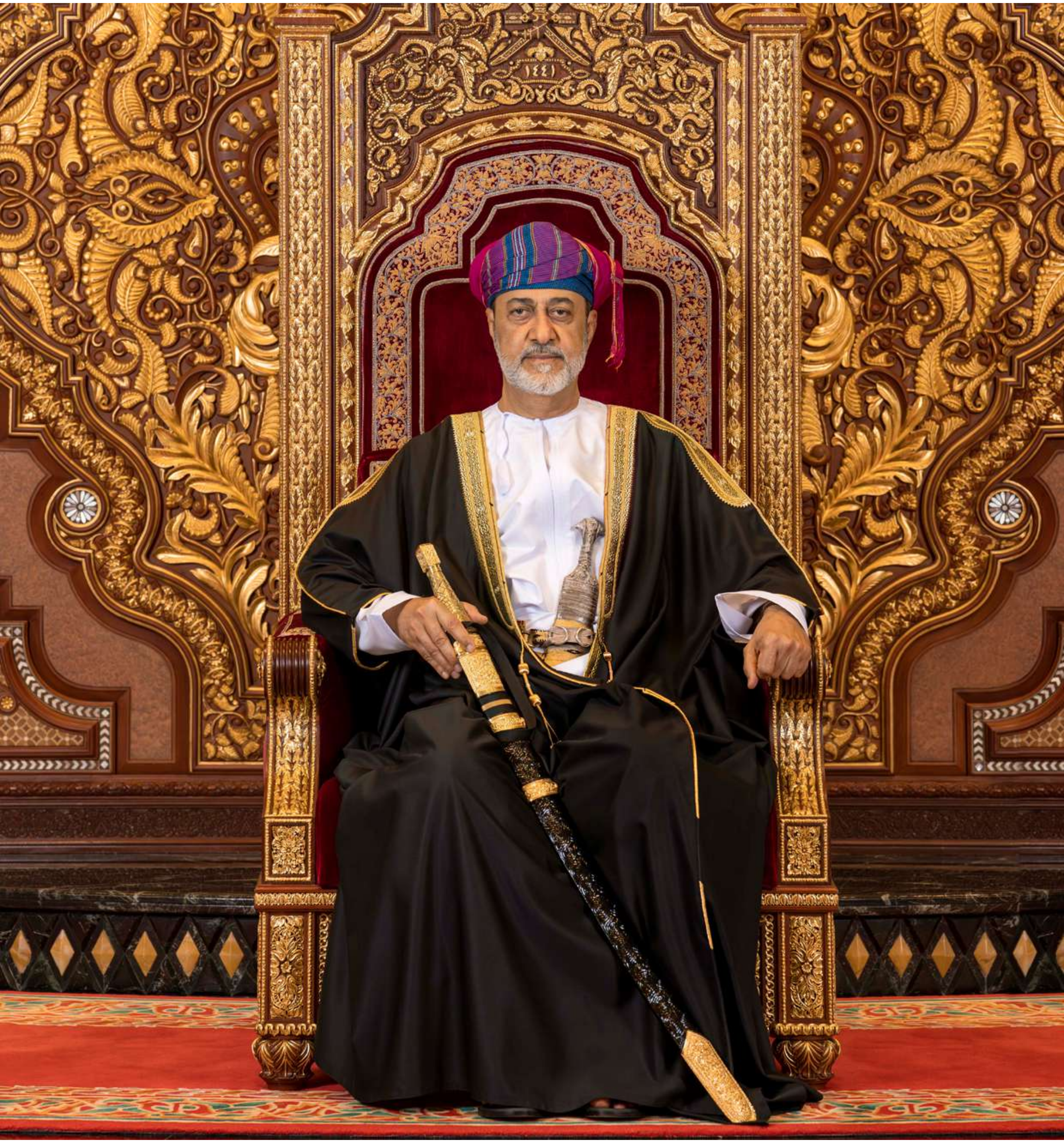
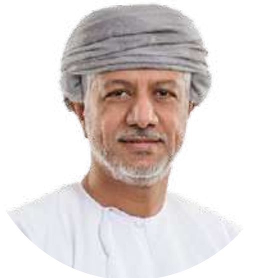


Table of Contents

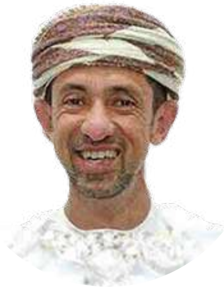


His Majesty Sultan Haitham bin Tariq

Board of Directors



Khalid Muhammad AlZubair
Chairman



Mohammed Taqi Ibrahim
Vice Chairman

Abdul Aziz Mohammed Ahmed Al Balushi
Member

Al Sayyid Zaki Hilal Saud Al Busaidi
Member

Anwar Hilal Al Jabri
Member

Mohammed Ali Said Al Qassabi
Member

Sanjay Kawatra
Member

Adnan Hamza Mohammed Bogary
Member

Saeid Mohamed Binzagr
Member

Tareq Abdulrahman Al Sadhan
Member

Yousef Ali Al Quraishi
Member

Director's Report

Dear Shareholders,

The Board of Directors is pleased to report the Liva Group's Annual Report for the year ended 31 December 2023, including the Financial Statements, Auditor's Report, the Management Discussion and Analysis Report and the Corporate Governance Report.

Refreshed Brand Identity

2023 has been the foundational year for Liva Group, marking new beginnings as the top 10 insurance player across the GCC region following the successful combination of NLGIC Group and RS A Middle East. Built from two complementary yet diverse players, the integration of both businesses throughout 2023 has further enhanced market credibility and allowed for an extended geographical footprint and an expanded product coverage as we position ourselves as one of only a few composite insurers in key GCC markets.

The launch of a new and consistent "Liva" brand across operating entities solidifies this union and brings with it a fresh identity, representative of the vibrant and growing market within which we play. The word 'liva' originates from Old Norse and means 'protection' {hlif) and 'life' {lif), which encapsulates our purpose: to instil confidence in people to live the life they want, well prepared for the unexpected.

The Liva brand identity was officially unveiled in September 2023 following the completion of the integration of our Oman operations, and we marked the occasion with a special brand unveiling on Ain Dubai, the first of many milestones we hope to share with our trusted Brokers and Partners. A proud moment for the Liva Group, we formalised our new identity with a bell-ringing ceremony and ticker change at MSX, attended by His Excellency Sheikh Abdullah Al Salmi, President of the Capital Market Authority {CMA), Ahmed Al Maamari, Vice President of CMA, Haitham Al Salmi, CEO of MSX, and Mohamed Said Al Abri, CEO of Muscat Clearing & Depository Company {MCD) on October 17th, 2023.

Integration Efforts

Establishing strong foundations that support future growth has been a priority objective throughout the year, with the successful integration of the Group's operations in Sultanate of Oman {"Oman"), Kingdom of Saudi Arabia ("KSA"), and Kingdom of Bahrain ("Bahrain") being key achievements to be celebrated in 2023. With the support of the respective regulatory bodies, the integration efforts have enabled the seamless transfer of people, product portfolio, technology systems and policy governance ahead of plan, with no reported customer disruption.

The remaining integration of the United Arab Emirates ("UAE") and State of Kuwait ("Kuwait") operations are due to be completed in Q2, allowing for full opportunity to leverage the Group's regional presence. Testament to this achievement has been the noticeable dedication and collaboration demonstrated by our people, and the ongoing support received from the regulatory bodies across all our markets to whom the Liva Group remain greatly appreciative. The Group has successfully established a new culture, placing a strong focus on investing in talent at all levels and the correct technology to maximise future operational efficiency, and bolster, up the Group's synergies, further ensuring delivery of the Group's strategic growth plans.

Company's Financial Performance

In 2023, the Group achieved an Insurance Service Revenue of OMR 310mn growing 43% YoY, delivering on its ambition of becoming a top 10 insurer in the GCC. Significant growth was observed across key segments in KSA and noticeable growth of the Commercial portfolio in the UAE. The Group maintained its market leading position in Oman and achieved significant portfolio rebalancing, optimising and diversifying the book to improve long-term profitability.

The Group delivered an Insurance Service Result of 9m, growing 65% vs. the previous year. Underwriting revenue was impacted by extrinsic market factors influencing claims frequency and severity across various markets and business lines. The net income from investments was OMR 12.8 million driven by a continued strong investment management framework. As an outcome of the underwriting result and strong investment performance, Liva has achieved a net profit of OMR 6.4 million, representing a 107% increase compared to the same period in the previous year. The Board of Directors is pleased to propose dividend in the form of mandatory convertible bonds (MCBs) amounting to RO 4.7mn (0.012 baizas per share) in board meeting held on 28 February 2024.

The proposed dividend is subject to regulatory approvals and further approvals of the Shareholders at the forthcoming Annual General Meeting. In line with regulatory expectation, the Liva Group's financial result for 2023 is reflective of International Financial Reporting Standard 17 having been fully implemented in 2023.

Future Outlook Of The Company

Liva Group's reaffirmed AM Best rating of A- in January 2024 sets solid foundations for the Group as it commences delivery of its 2024 plans. The Group plans to continue its strategic focus of achieving an improved top-line result, at a rate that outpaces the market as well as increased profitability through optimization of its portfolio and enhanced operational efficiencies.

The identification of non-traditional business initiatives remains top-of-mind, particularly those in support of the Group's "beyond insurance" agenda. As we move to evolve the Liva brand, new partnerships that look to capitalize on data and technology, drive forward efficiency and optimisation, and enhance our customer-centric agenda whilst driving value creation for the Shareholder will continue play a pivotal role.

Opportunities within the health space remain of high excitement and the Group plans to help redefine the healthcare ecosystem in the region through enhanced customer care journeys, empowering our customers with confidence when managing their health. Organic and in-organic growth opportunities that offer impactful strides towards this vision and support market evolution are of top interest, as are new business models that allow the Group to divert revenue streams from traditional insurance returns in its capacity as an investment vehicle.

Awards & Achievements

I am happy to share the major achievements we have accomplished in 2023 and the market recognition that has complimented these efforts:

- Jan 2024: Signature Luxury 100 Awards - Liva Insurance Oman won three awards for:
  - Premium Insurtech CEO of the Year
  - Exemplary Leadership in Digital Integration
  - Branding & Communications Professional of the Year
- June 2023: Global Business Outlook Awards, Liva Insurance UAE was awarded the Fastes Commercial Insurance Company in the UAE
- Oct 2023: AIWA Awards - Liva Insurance Oman was awarded Insurance CEO of the Year

Supporting Our Communities

In line with the national objectives outlined in Oman Vision 2040, the Group's strategies and ambitions are aligned to the collective goal of enhancing social well-being and building a sustainable future across the GCC region and beyond. The Group's Corporate Sustainability goal aims to create long-term stakeholder value efforts to create shared value to the company and to our community with projects centred around Health, Safety, Innovation, Community and Environment. In 2023, our CSR initiatives showcased a commitment to sustainable impact and community empowerment. Through a collaboration with Injaz Oman, we actively supported local talent in innovative start-ups, facilitating the growth of 191 student companies and engaging 1,982 students alongside 280 volunteers and 42 teachers. This partnership resulted in 1,488 hours dedicated to nurturing entrepreneurial skills. In healthcare, we collaborated with DGHS North Bathina to provide essential equipment such as USG and Retina scan machines, enhancing early detection and prevention efforts in remote areas. In terms of embracing digital transformation, we introduced e-medical cards to replace plastic ones, streamlined insurance documentation processes with a gradual shift to digital policy documentation, and conducted a digital safe driving and car care campaign. Our commitment to sustainability extended to internal book and clothes donation campaigns, promoting reuse and reducing waste. Additionally, we organized digital awareness campaigns on cancer prevention and hepatitis, hosted a blood donation camp, and distributed food provisions during Ramadan, underscoring our dedication to community welfare. Furthermore, our contribution of RO 25,000 to the Oman Charitable Association reaffirmed our commitment to making a positive impact in our society. Through these collective efforts, we continue to drive positive change in our communities.

Acknowledgements

On behalf of the Company and the Board of Directors, I take this opportunity to express our gratitude to His Majesty Sultan Haitham bin Tarik for his dynamic and progressive leadership. Under His Majesty's visionary leadership, we pray for the steady growth, stability, and enduring prosperity of our great country.

I thank all the regulators, government bodies and ministries in the Sultanate of Oman and the GCC for their support. I especially thank the management team and all our employees for their performance, hard work and dedication, and our customers and partners for their patronage, confidence, and commitment to our Company.

Khalid Muhammad AlZubair
Chairman of the Board of Directors
Liva Group

Our Purpose

To instill confidence in people to live the life they want, well prepared for the unexpected. We do this by creating a 'beyond' insurance ecosystem that has customer needs at the core.

KPMG

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Tel. +968 24 749600, www.kpmg.com/om

Private and confirdential
Our ref: aud/aa/mi/14771/24

Agreed upon procedures on Code of Corporate Governance of Liva Group SAOG

To the Board of Directors of Liva Group SAOG

Purpose of this Agreed-Upon Procedures Report

We were engaged by the Board of Directors of Liva Group SAOG **(the "Company") to perform agreed upon procedures on the Company's compliance with the Code of Corporate Governance of Capital Market Authority ("CMA"), as prescribed in the CMA Circular No. E/10**/2016 dated 1 December 2016 **(together the "Governance Code"). Our report is solely for the purpose of assisting the Company in** complying with the CMA requirements and may not be suitable for any other purpose.

Responsibilities of the Company

The Board of Directors has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

Management of the Company is responsible for accuracy and completeness of the subject matter on which the agreed-upon procedures are performed.

Practitioners' Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness or sufficiency of the agreed upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the relevant ethical requirements including independence requirements of International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethical Standards Board for Accountants.

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Liva Group SAOG
Agreed-Upon Procedures Report
on Code of Corporate Governance

Practitioners' Responsibilities (continued)

Our firm applies International Standard on Quality Control (ISQC) 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Company in the terms of our engagement dated 17 February 2022, on compliance with the requirements of the Governance Code:

S. No	Procedures	Findings
(a)	We checked that the corporate governance report (the report) issued by the Board of Directors includes as a minimum, all items suggested by CMA to be covered by the report as detailed in the Annexure 3 of the Code by comparing the report with such suggested content in the Annexure 3	No exceptions noted.
(b)	We obtained the details regarding areas of non-compliance with the Code identified by the Company's Board of Directors for the year ended 31 December 2023. With respect to procedure above, we inquired from and obtained written representation from management and those charged with governance for non-compliance with the Code for the year ended 31 December 2023.	No non-compliance with the Code noted during the year.

This report relates only to the items specified above and does not extend to the Company's financial statements taken as a whole.

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KPMG LLC
28 February 2024

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KPMG LLC
Children's Public Library Building
4th floor, Shatti Al Qurum
P O Box 641, PC 112
Sultanate of Oman
CR.No: 1358131

Corporate Governance Report

1. Company Philosophy

Corporate Governance is the system by which business corporations are directed and managed. The Corporate Governance structure specifies the roles of different participants in the corporation, such as the Board, management, shareholders and other stakeholders, and spells out the rules and procedures for making decisions on corporate affairs. By doing this, it also provides the structure through which the entity's objectives are set, measured and monitored.

The Board and Management of Liva Group SAOG ("the Company") believe that corporate governance is about commitment to values and ethical business conduct. It is about how an organization is managed including, but not limited to, its culture, policies, and the manner in which it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company is an integral part of corporate governance. This improves public understanding of the activities and policies of the Company.

The Board and management of the Company are committed to adopt the best practices of corporate governance that promotes values and ethical business conduct. This report details how the Company adheres to the principles and provisions of Code of Corporate Governance for Insurance Companies as set out in the Capital Market Authority (CMA)'s circular 7/I/2005 dated August 1, 2005, and amendments thereof during 2016 as well as the principles set out in the CMA's Code of Corporate Governance for Public Listed Companies ("the Code").

2. Shareholder Meetings During 2023

The Company held two general meetings during 2023 as follows:

- The Annual General Meeting (AGM) was held on 26th March 2023 for approval of annual statutory agenda items.
- Extraordinary General Meeting (EGM) held on 20th September 2023 for approval of changes in Articles of Association related to commercial name of Company from "National Life & General Insurance SAOG" to "Liva Group SAOG."

3. Board Of Directors

At the core of its corporate governance practice is the Board, which oversees how the management serves and protects the long-term interests of all the stakeholders of the Company. The Board monitors the Company's strategy, Company's performance against strategic and business plans, policies and the control systems to develop and incorporate best practices and maintain highest standards in governance.

Nomination Of The Board

The Articles of Association of the Company provides for eleven (11) directors. The Board of Directors are elected in the General Meeting from amongst the shareholders or non-shareholders, provided that in the case of shareholders, each shareholder owns at least 200,000 shares in the Company. Nomination, Remuneration and Executive Committee assists the General Meeting in the nomination of proficient directors in order to enable the Shareholders to elect the most fit candidates. The election of a director is subject to approval by the regulatory authorities based on the nomination form filed by the candidate who meets the minimum qualification requirements as per CMA guidelines.

The Company follows the process of nomination and election of the Board of Directors as governed by the provisions contained in the Articles of Association, Commercial Company's Law and as per the regulations of CMA. The shareholders of the Company at an Annual/Ordinary General Meeting elect the Board of Directors. The Board is elected for a three-year term. The last election for the Board of Directors was held at the Annual General Meeting (AGM) held on 28th March 2021 for a term of three years with seven members. In order to fill the vacant positions, shareholders appointed four additional directors at an Ordinary General meeting (OGM) held on 24th July 2022, for the remaining term of the Board. Next election of Board members is due to be held at the AGM on 27th March 2024.

Key Duties & Responsibilities Of The Board Include:

- Identifying a strategic vision of the Company based on its mission, purpose and objects, and set viable performance indicators within a reasonable time frame that can be measured objectively and updated periodically.Identifying a strategic vision of the Company based on its mission, purpose and objects, and set viable performance indicators within a reasonable time frame that can be measured objectively and updated periodically.Adopting business and financial policies pertinent to the performance of the Company's business, meeting its objectives and reviewing them periodically to ensure sustenance of their efficiency.
- Adopting internal regulations and bylaws pertinent to steering and management of the affairs of the Company and ensuring the efficacy of systems and polices of the Company.

- Ensure the quality of Directors' performance and the accomplishment of their objectives by devising accountability measures vis-à-vis Directors to ensure their attendance of meetings, effective participation and performance of their roles.
- Identifying necessary competences and authority required for the executive management, appointing key executive officers and monitoring the work of the executive management to ensure the business is effectively managed according to the Company's objective and ensuring compliance with the laws and regulations.
- Forming specialized committees including names of committee members, their duties, rights and obligations and evaluating, at least annually, the performance of specialized committees emanating from the Board.
- Approving quarterly and annual financial statements and reviewing related-party transactions.
- The functions of the Board of Directors also include policy formulation, approving Corporate Business Plan, establishing Risk Assessment and Management Strategy, approving Underwriting and Pricing Policy, approving Reinsurance Management Strategy, approving Investment Management Policy, establishing Management Structure and Responsibilities, establishing Standards of Customer Service and Fair Dealings, approving Information Technology Systems, overseeing policy and strategy implementation and operational performance, establishing systems for internal controls, establishing Internal Audit Function, establishing Code of Corporate Ethics, approving and implementing the Disclosure Policy and ensuring compliance.

Composition Of The Board

The composition and independence of the Board is in accordance with Article 3 of the Code of Corporate Governance for Public Listed Companies. The Board members hold various experiences and collectively exercise independent and objective judgment. Further the Board is supported by Board sub-committees namely Audit and Controls Committee (ACC), Nomination, Remuneration and Executive Committee (NREC) and Investment Committee (IC).

Details of membership of Board and Board Sub-Committees during the year 2023 is as follows:

(i) All directors including the chairman are non-executive. Seven out of the eleven directors are independent, which is in compliance with the existing regulations.

(ii) All eleven directors were elected by the shareholders in their individual capacities and do not represent institutional investors.

(iii) Ten out of the eleven directors are non-shareholders while one director is a shareholder.

Details of director appointments, duration, position, status of independence, memberships of sub-committees and the number of Board meetings attended is given below:

Sl No	Name	Date of Appointment / election	Membership Duration up to	Position	Independent	Membership of other committees	Board Meetings Attended
1.	Khalid Muhammad AlZubair	28.03.2021	Mar 2024	Chairman	No	NREC	4
2.	Mohammed Taqi Ibrahim Al Jamalani	28.03.2021	Mar 2024	Deputy Chairman	Yes	ACC	5
3.	Abdul Aziz Mohammed Ahmed Al Balushi	28.03.2021	Mar 2024	Member	No	IC, NREC	5
4.	Al Sayyid Zaki Hilal Saud Al Busaidi	28.03.2021	Mar 2024	Member	Yes	IC, NREC	3
5.	Anwar Hilal Hamdoon Al Jabri	28.03.2021	Mar 2024	Member	No	IC	5
6.	Mohammed Ali Said Al Qassabi	28.03.2021	Mar 2024	Member	Yes	ACC	3
7.	Sanjay Kawatra	28.03.2021	Mar 2024	Member	No	ACC, NREC	5
8.	Adnan Hamza Mohammed Bogary	24.07.2022	Mar 2024	Member	Yes	ACC	4
9.	Saeid Mohamed Obeid Binzagr	24.07.2022	Mar 2024	Member	Yes	IC	4
10.	Tareq Abdulrahman Al Sadhan	24.07.2022	Mar 2024	Member	Yes	NREC	4
11.	Yousef Ali Al Quraishi	24.07.2022	Mar 2024	Member	Yes	-	5

Notes:

Mr. Tareq Abdulrahman Al Sadhan has resigned from his position as the board member w.e.f. 31st January 2024 and a new director will be appointed for the vacant office till the next election in March 2024

No Director is a member of the Board of more than four public joint stock companies whose principal place of business is in the Sultanate of Oman or is a chairman of more than two such companies. Particulars of directorships of other joint stock companies and memberships of other Board Committees is set out in Appendix I of this Report. None of the directors is a member of the board of directors of a joint stock company which has similar objectives to the Company and whose principal place of business is in the Sultanate of Oman.

Details Of Meetings

During the 12 months period ended 31 December 2023, the Board met Five times the details of which are as follows:

Month	Date of Meeting
February-23	22-Feb-23
May-23	14-May-23
August-23	07-Aug-23
November - 23	8-Nov-23
December-23	11-Dec-23

The maximum interval between any two meetings was 93 days. This is in compliance with "the Code" which requires meetings to be held within a maximum time gap of four months. All meetings were held with physical attendance and virtual attendance in accordance with Article 191 of the Commercial Companies Law.

Details of attendance of Board Members for General Meetings Held during 2023 is given below:

Sl No	Name	Position	AGM held on 26th March 2023	EGM held on 20th September 2023
1.	Khalid Muhammad AlZubair	Chairman	Yes	Yes
2.	Mohammed Taqi Ibrahim	Deputy Chairman	Yes	No
3.	Abdul Aziz Mohammed Ahmed Al Balushi	Member	Yes	Yes
4.	Al Sayyid Zaki Hilal Saud Al Busaidi	Member	Yes	Yes
5.	Anwar Hilal Hamdoon Al Jabri	Member	Yes	Yes
6.	Mohammed Ali Said Al Qassabi	Member	Yes	Yes
7.	Sanjay Kawatra	Member	Yes	Yes
8.	Adnan Hamza Mohammed Bogary	Member	Yes	No
9.	Saeid Mohamed Obeid Binzagr	Member	Yes	Yes
10.	Tareq Abdulrahman Al Sadhan	Member	Yes	No
11.	Yousef Ali Al Quraishi	Member	Yes	No

Board Procedure

The annual calendar of the Board Meetings is agreed upon at the beginning of the year. The agenda is circulated well in advance to the Board to take appropriate decisions. The items in the agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. The Board is always kept informed of major events/items and approvals taken wherever necessary. The Chief Executive Officer of the Company attends the Board Meetings and keeps the Board appraised of the overall performance of the Company.

Board Evaluation

As advised by CMA, the appointment of an independent entity for the evaluation of the Board and approval of criteria for evaluation should be conducted once during the term of the board. For the current Board term, the shareholders of the Company appointed consultants "Protiviti" to impartially and independently appraise the performance of the Board of Directors (including its Sub-committees) and approved the benchmark and standards i.e. the evaluation criteria for the appraisal of their performance in the Annual General Meeting held on 30th March 2022. The details of the evaluation conducted by the consultants were placed to the shareholders in the Annual General Meeting held on 26th March 2023 and approved by the shareholders accordingly. Next evaluation of the board will be conducted post appointment of new board members in the upcoming AGM.

4. Sub-Committees Of The Board

The Board sub-committees namely - the Audit and Controls Committee (ACC), Nomination, Remuneration and Executive Committee (NREC) and the Investment Committee (IC) assist the Board to perform its duties and responsibilities effectively.

Sub Committee Evaluation

As per the Code, the Board is required to evaluate the performance of the Specialized Board Sub-committees on an annual basis. Towards this, the board has evaluated the performance of the Specialized Board Sub-committees for the year 2023. The details of the evaluation conducted by the consultants are provided to the Board.

Details of the roles and responsibilities of each of the Board Sub-Committees, their memberships, meetings held during the year and the attendance of members is as given below:

Audit & Controls Committee (ACC)

The Audit and Controls Committee's main function is to assist the BOD in fulfilling its oversight responsibilities in ensuring the Executive Management has in place a robust internal controls system for risk management aimed to safeguard shareholders interest and Company assets.

The ACC comprises of non-executive directors who are knowledgeable in investments, finance, industry laws and regulations for SAOG companies. Three directors (including the Chairman of the ACC) are independent while one director is not independent. All four members of the ACC have finance and accounting expertise. During 2023, the sub-committee has met Six times.

The attendance details and the membership details of the ACC are as below:

Sl No	Name	Position	1ACC 20 Feb 23	2ACC 21 Mar 23	3ACC 04 May 23	4ACC 03 Aug 23	5ACC 6 Nov 23	6ACC 13 Dec 23
1	Mohammed Taqi Ibrahim	Chairman	Yes	Yes	Yes	Yes	Yes	Yes
2	Mohammed Ali Said Al Qassabi	Member	Yes	Yes	Yes	Yes	Yes	Yes
3	Sanjay Kawatra	Member	Yes	Yes	No	Yes	No	Yes
4	Adnan Hamza Mohammed Bogary	Member	Yes	Yes	Yes	No	Yes	Yes

The Committee receives reports on the findings of internal and external audits and on actions taken by the management in response to these. The Committee reviews the scope, findings and cost effectiveness of the Company's statutory audit and the independence and objectivity of the external auditors. It reviews changes to the accounting policies and reviews the audited annual and unaudited quarterly financial statements, related party transactions and recommends for Board approval. It also reviews the returns and solvency margin computation required to be submitted to the CMA and UAE Insurance Authority prepared in accordance with the Insurance Companies Law and its regulations issued by CMA and Regulations for Insurance Companies issued by UAE Insurance Authority. In addition, the Committee periodically reviews and reports to the Board on the effectiveness of the Company's system of internal control, internal audit function and risk management process.

Nomination, Remuneration & Executive Committee (NREC)

The primary role of the NREC is to assist the General Meetings in the nomination of proficient directors and the election of the directors most fit for the purpose and to assist the board in selecting the appropriate and necessary executives for the executive management. NREC's responsibilities include developing Succession planning policy, Remuneration policy, Human Resources Policy, Organisation Chart, appointment of employees at senior management level, compensation structure for employees, Omanisation or localization and working hours for employees. Moreover, the committee aims to assist the Board to discharge certain responsibilities which are delegated by the Board to the committee in order to achieve its corporate objectives. Towards this, the NREC undertakes review long term business strategy, review of budget and review of new products for recommendation to the Board and approves any other micro matters of business that are beyond the powers of the management.

The Nomination, Remuneration and Executive Committee comprises of five directors. The committee met Six times during the year.

The attendance details and the membership details the Committee are as below:

Sl No	Name	Position	1NREC 31-Jan-23	2NREC 15-Feb-23	3NREC 09-May-23	4NREC 31-Jul-23	5NREC 31-Oct-23	6NREC 04-Dec-23
1	Khalid Muhammad AlZubair	Chairman	Yes	Yes	Yes	Yes	Yes	Yes
2	Abdul Aziz Mohammed Ahmed Al Balushi	Member	Yes	Yes	Yes	Yes	Yes	Yes
3	Al Sayyid Zaki Hilal Saud Al Busaidi	Member	Yes	Yes	No	Yes	Yes	Yes
4	Sanjay Kawatra	Member	Yes	Yes	Yes	Yes	Yes	Yes
5	Tareq Abdulrahman Al Sadhan	Member	Yes	Yes	No	No	Yes	No

Investment Committee (IC)

The main function of the Investment Committee is to assist the Board of directors to discharge certain responsibilities such as establishing the investment strategy, investment policy, investment guidelines, reviewing / monitoring the Investment Portfolio, review strategic investment initiatives, review of compliance with investment related regulations and the adequacy and efficiency of the investment policies, procedures, practices and controls.

The Investment Committee comprises of four directors. The committee met Four times during the year of which one meeting was held with physical attendance and three meeting were held through video conferencing.

The attendance details and the membership details of the Committee are as below:

Sl No	Name	Position	1IC 29-Mar-23	2IC 17-Apr-23	3IC 27-Jul-23	4IC 6-Nov-23
1	Al Sayyid Zaki Hilal Saud Al Busaidi	Chairman	Yes	Yes	Yes	Yes
2	Abdul Aziz Mohammed Ahmed Al Balushi	Member	Yes	Yes	Yes	Yes
3	Anwar Hilal Hamdoon Al Jabri	Member	Yes	Yes	Yes	Yes
4	Saeid Mohamed Obeid Binzagr	Member	No	Yes	Yes	Yes

5. Remuneration Of Directors

The Directors were paid remuneration of RO 150,000/- for 2022 as approved by the shareholders in the AGM held on 26th March 2023. During the year 2023, Board members were paid sitting fees of RO 300/- per Board meeting attended and RO 200/- per Board sub-committee totaling to RO 26,500/-. In addition to the sitting fees of RO 26,500/-, director's remuneration proposed for 2023 is RO 300,000/-. This is subject to shareholders' approval at the AGM.

Actual travel and incidental expenses relating to Company's business for Board members during the year was RO 924 for the year 2023 (2022 – RO 849). Remuneration for 2022 paid in 2023 and the sitting fees for 2023 paid to the Board members during the 12-month period ended 31 December 2023 is detailed below:

RO

	Sitting fees for 2023				Total Sitting fees for 2023	Remuneration for 2022
Name of Director	Board	ACC	NREC	IC		
Khalid Muhammad AlZubair	1,200	-	1,200	-	2,400	21,392
Mohammed Taqi Ibrahim	1,500	1,200	-	-	2,700	16,564
Abdul Aziz Mohammed Ahmed Al Balushi	1,500	-	1,200	800	3,500	16,564
Al Sayyid Zaki Hilal Saud Al Busaidi	9,00	-	1,000	800	2,700	16,564
Anwar Hilal Hamdoon Al Jabri	1,500	-	-	800	2,300	16,564
Mohammed Ali Said Al Qassabi	900	1,200	-	-	2,100	16,564
Sanjay Kawatra	1,500	800	1,200	-	3,500	16,564
Adnan Hamza Mohammed Bogary	1,200	1,000	-	-	2,200	7306
Saeid Mohamed Obeid Binzagr	1,200	-	-	600	1,800	7306
Tareq Abdulrahman Al Sadhan	1,200	-	600	-	1,800	7306
Yousef Ali Al Quraishi	1,500	-	-	-	1,500	7306
Total	**14,100**	**4,200**	**5,200**	**3,000**	**26,500**	**150,000**

There was no other remuneration paid by the Company to the Directors in their capacity as Board members.

6. Internal Control Review

The Code requires that the directors should, at least annually, review the effectiveness of the Company's system of internal controls and report to the shareholders that they have done so. The Board attaches significant importance to maintaining a strong control environment and confirms that its review has covered the financial statements, all controls, including financial, operational, compliance and risk management. The Board ensures this by implementing internal control policies and procedures and other forms of analytical reviews, reconciliations and automatic controls in the IT systems. The internal control process is mainly followed up by the Audit and Controls Committee and the Internal Audit function with clearly defined Audit and Controls Committee Annual Plan and Internal Audit Risk Assessment and Annual Internal Audit Plan. In addition to this, the Company also has a Quality & Internal Control Department which reviews the Company's internal controls. The Board is satisfied that appropriate procedures are in place to implement the Code's requirement.

As required under Article 173 of Regulation for Public Joint Stock Companies, the company is required to conduct a comprehensive external review of the works of the internal audit unit at least once every 4 years. Accordingly, audit firm, 'Mazars' was appointed by the Company's Board of Directors to carry out External Independent Quality Assurance Assessment of NLGIC Internal audit units for the year 2019. Mazar has completed the agreed upon procedures, in accordance with International Professional Practices Framework (IPPF), issued a Quality Review Report and presented it to Audit and Controls Committee and Board of Directors. The next review was due in 2023 but considering the transitional circumstances that the company is going through after the merger process, an extension of one year is taken from CMA and next review is now due in 2024.

7. Management

Management Discussion & Analysis

A copy of the Management Discussion and Analysis is included in the annual report.

Management Remuneration

On 31 December 2023, the Group employed 990 employees (2022: 518 employees) including the Chief Executive Officer. The Gross remuneration accrued to eight key management personnel (salaries, incentives and allowances and other statutory payments) during 2023 is RO 1,883,992 /- (2022: RO 1,601,772 /- to nine key management personnel). Above remuneration is disclosed in Note for Related party transactions in the financial statements.

The performance incentive pool is approved by the NREC based on Company's performance and is distributed amongst employees based on their individual performances. This is in accordance with the Board approved policies of the Company.

Actual travel and incidental expenses relating to the Company's business for the key management personnel during the year were RO 64,524.50/- (2022: RO 41,842/-) and are borne by the Company.

Employment Contract

Employment contracts are for an unlimited period for nationals after the first year of service while it is for a period of two years for expats which is subject to auto renewal at the time of expiry based on terms and conditions agreed between the parties. The notice

period is one month to three months depending on the position or salary in lieu thereof.

Profiles Of Key Management During 2023

Following is the brief profile of the key management team for this Year:

Martin Rueegg, Group Chief Executive Officer
Martin was the Regional CEO for RSA Middle East before he was appointed Group CEO of Liva. He has over 20 years of robust experience in the Insurance industry having held various C-suite positions in Europe and in both emerging and mature markets in Asia for the past 15 years. In his current role Martin is committed to growing Liva Group's businesses across the Gulf region, fostering strong relationships with customers and partners, and building innovative insurance propositions. His strategic acumen, visionary thinking, and entrepreneurial spirit will be fundamental in advancing the Group's business and growth in the region.

Honorable Dr Dhafir Al Shanfari, Group Chief Operating Officer
Dr. Dhafir was previously Chief Operating Officer of NLGIC, in charge of support functions of the company. Post integration, he became the Group Chief Operating Officer for Liva Group, leading functional governance and operational practices including HR, IT & Change, Legal, Brand & Communications, Risk, and Compliance functions. Dr. Dhafir was also recently appointed as a member of the State Council of the Sultanate of Oman. Prior to joining Liva, Dhafir was the CEO of the Public Authority of Privatisation and Partnership and held various leadership roles in the public and academic sectors as well. He has a strong leadership acumen across multiple industries and is a key member of several reputable councils and committees in Oman.

Ravikanth Petluri, Group Chief Financial Officer
As Group Chief Financial Officer, Ravikanth brings over 25 years of expertise in finance and accounting, showcasing a distinguished career in leadership roles within the insurance industry and reputable financial firms. Specializing in financial reporting aligned with International Financial Reporting Standards (IFRS), he excels in Internal Control over Financial Reporting as per SOX requirements. His proficiency extends to ERP implementation, treasury management, acquisition accounting, investment valuations, deal structuring for investments, derivatives, and hedge accounting. With a focus on corporate governance and due diligence, Ravi strategically navigates the financial landscape of the insurance sector for Liva.

Addal Sarwar, Group Chief Personal Lines Officer
Addal was the Middle East Personal Lines Director before being appointed Group Chief Personal Lines Officer. In his role Addal sets portfolio standards and technical/underwriting guidelines as well as develops strategy for Personal Lines across the business. Addal's focus is on expanding Liva's partnerships across the Middle East while enhancing our digital products and services, to drive truly customer centric solutions.

Ahmed Nasef, Group Chief Commercial Lines & Reinsurance Officer
Ahmed was Deputy CEO of RSA Middle East before he was appointed as Group Chief Commercial Lines & Reinsurance Officer. He has over 20 years of experience in general insurance in multiple geographies. Before joining Liva, he served as Managing Director & CEO of AXA Egypt General Insurance Company. He has also served as Head of Technical for ACE in Egypt, covering underwriting, claims, operations, reinsurance, product development and regulatory affairs. In his current role, Ahmed is responsible for overseeing the reinsurance of the group as well as leading business strategy. His business strategy focuses on growth, expanding the group's offerings across the region, launching new products, and strengthening the underwriting/pricing processes.

Tariq Mahmood, Group Internal Audit Director
He was the Chief Internal Auditor of Liva and has been appointed as the Group Internal Audit Director. In this role, he will be reviewing risk management efficiency and providing independent and objective audit advice and driving audit initiatives across the Middle East.

S. Venkatachalam, Regional CEO of Health, Life and Supply Chain (Left organization on 21st Jul 2023)
He was Chief Executive Officer of NLGIC and was appointed as Regional CEO of Health, Life and Supply Chain. In his new role he was leading the Middle East business for these critical portfolio services, which are considered the backbone of the Company's strategic growth in the region. Over the course of his career with NLGIC, S Venkatachalam played a critical role in the company's growth, positioning NLGIC as one of the largest insurance companies in Oman today.

Abdullah Mansury, Group Chief Financial Officer (Left Organization on 30th Jun 2023)
He was the Chief Financial Officer of RSA Middle East and was appointed as Group Chief Financial Officer, overseeing the overall financial performance, investments, and data to power the efficiency of the company across the Middle East. He was also leading business review exercises, which organically feed into corporate strategy decision-making and operational planning processes.

8. Details Of Penalties & Non-Compliance By The Company

During 2023, there have been no instances of non-compliance on any matter relating to CMA's Code of Corporate Governance for Insurance Companies and CMA's Code of Corporate Governance for Public Companies. The Company also follows the Commercial Companies Law No. 184/2019, the MSX listing agreements for Oman and other applicable CMA regulations. Similarly, for its overseas operations the Company follows Federal Law 6 of 2007, Financial Regulations for Insurance Companies in the UAE, The Insurance Law no. 125 of 2019 on Insurance Companies in Kuwait, Resolution No. (21) of 2021 providing the Executive Regulations of the Insurance Law and other Insurance Professionals & Intermediaries in Kuwait as well as other applicable overseas regulations.

During 2023, Company has paid penalties of AED 55,009 for non-compliance with Department of Health Abu Dhabi for delay in submission of Financial Reports

During 2022 and 2021, the Company did not pay any fines / penalties.

9. Shareholders

Distribution Of Shareholding

Shareholder distribution as of 31st December 2023 is as given below:

Number of Shares	% Held	Number of shareholders	Total Shares	% of Share Capital
Above 39,837,434	Above 10%	2	251,797,793	63.21%
Between 19,918,717 and 39,837,434	5% - 10%	2	50,809,274	12.75%
Between 3,983,743 and 19,918,717	1% - 5%	7	75,159,673	18.87%
Below 3,983,743	Below 1%	127	20,607,602	5.17%
Grand Total		**138**	**398,374,342**	**100.00%**

The following shareholders have 10% or more of the voting power in the Company as of 31 December 2023:

Shareholder	% of Share Capital
Oman International Development and Investment Company SAOG (OMINVEST)	48.86%
Riyad Bank	14.35%

Means Of Communication

The notice and agenda for the AGM, annual audited accounts and Chairman's report are made available to all the shareholders as per regulatory guidelines. Further the Company has been communicating regularly on all material matters to the Capital Market Authority. The Company also uses additional means of communication such as disclosures on the MSX website, publishing of extracts of financial statements in Arabic and English newspaper, making available financial statements in Arabic and English at the Company's offices during the Company's business hours and posting of the quarterly and annual financial statements and press releases on the Company's website - https://livainsurance.om/financial-reports Investor and analyst meets are also conducted to discuss the results through the Muscat Stock Exchange platform.

10. Statutory Auditors

The shareholders ozf the Company appointed KPMG as its auditors for 2023. KPMG LLC in Oman was established in 1973 and is part of KPMG Lower Gulf Limited. KPMG in Oman employs more than 160 people, amongst whom are five partners and five directors, including Omani nationals. KPMG is a global network of professional services firms providing Audit, Tax and Advisory services. It operates in 143 countries and territories and has 273,000 people working in member firms around the world. KPMG Lower Gulf is part of KPMG International Cooperative's global network of professional member firms.

For FY 2023, Statutory audit fees for KPMG of RO 100,590/- (2022: RO 83,926/-) have been provided for by the Parent Company. In addition to this, the company has also made provision of RO 55,000/- (2022: 15,000) for added requirement of IFRS 17 in FY 2023. For FY 2022 the fee increase od RO 15,000 was for new audit requirements introduced by regulator and increased scope of audit pursuant to the acquisition of RSA ME.

KPMG has not provided the Company with other non-audit advisory services during the year 2023 & 2022.

11. Legal Advisor

Curtis, MalletPrevost, Colt & Mosle LLP
For twenty-five years, Curtis Oman has been helping Omani and international companies, financial institutions and governments to do business in the Sultanate of Oman. Curtis remains the only US-headquartered law firm licensed to practice in Oman. The Muscat office is the hub of their wider Middle East practice and offers the full range of international and domestic legal services. Curtis has been lead adviser on some of the largest and most significant projects in Oman and is regularly recognized as one of the country's foremost law firms. Curtis has in depth of experience in banking and financial services, the firm advises on all aspects of contentious issues and regulatory compliance involving the banking, capital markets and investment fund sectors. The firm develops strategies that safeguard its clients' assets and reputations enabling them to focus on pursuing their business objectives with confidence.

12. Market Price Data

The performance of the Company's share price (total returns) in 2023 versus MSX-30 Index and details of the Company's high, low and closing share prices for the period 01 January 2023 to 31 December 2023 is shown below:

	LIVA				MSX 30			
Performance	High	Low	Close	%age movement	High	Low	Close	%age movement
Dec-22	0.340	0.340	0.340	0.0%	4,908	4,599	4,857	0.0%
Jan-23	0.340	0.338	0.340	0.0%	4,889	4,701	4,703	-3.2%
Feb-23	0.340	0.340	0.340	0.0%	4,782	4,616	4,753	1.1%
Mar-23	0.340	0.340	0.340	0.0%	4,937	4,753	4,863	2.3%
Apr-23	0.340	0.340	0.340	0.0%	4,877	4,712	4,718	-3.0%
May-23	0.340	0.340	0.340	0.0%	4,763	4,592	4,626	-1.9%
Jun-23	0.340	0.340	0.340	0.0%	4,777	4,626	4,768	3.1%
Jul-23	0.340	0.340	0.340	0.0%	5,048	4,754	4,776	0.2%
Aug-23	0.340	0.340	0.340	0.0%	4,827	4,744	4,799	0.5%
Sep-23	0.335	0.335	0.335	-1.5%	4,803	4,624	4,678	-2.5%
Oct-23	0.350	0.336	0.350	4.5%	4,798	4,514	4,545	-2.8%
Nov-23	0.350	0.350	0.350	0.0%	4,678	4,486	4,658	2.5%
Dec-23	0.335	0.335	0.335	-4.3%	4,684	4,470	4,514	-3.1%
Annual Performance	**0.350**	**0.335**	**0.335**	**-1.5%**	**5,048**	**4,470**	**4,514**	**-7.1%**

During the period 01 January 2023 to 31 December 2023 a volume of 269,546 shares of the Company have been traded at MSX.

As of 31 December 2023, there are no outstanding securities or any convertible instruments which are likely to have an impact on equity.

13. Acknowledgement

The Board of Directors acknowledges confirmation of:

- Its responsibility for the preparation of the financial statements in accordance with the applicable standards and rules.
- Review of the efficiency and adequacy of internal control systems of the Company and that they comply with internal rules and regulations.
- There are no material matters that affect the continuation of the Company and its ability to continue its operations during the next financial year.

Khalid Muhammad AlZubair
Chairman

Appendix I

Particulars of Directorships of other Public Joint Stock Companies and memberships of their committees as of 31 December 2023

	Other Directorships			
Director	**Company**	**Position**	**Committee**	**Position**
Khalid Muhammad AlZubair	Oman International Development and Investment Company SAOG	Chairman	Nomination, Remuneration & Executive Committee	Chairman
	Oman Arab Bank SAOG	Director	Selection & Remuneration Committee	Member
Abdul Aziz Mohammed Ahmed Al Balushi			Credit Committee	Member
	National Finance Company SAOG	Director	Nomination, Remuneration & Executive Committee	Member
Al Sayyid Zaki Hilal Saud Al Busaidi	Oman Telecommunications Co SAOG	Director	Audit & Risk Committee	Member
			Tender Committee	Member
Anwar Hilal Hamdoon Al Jabri	Ahli Bank SAOG	First Deputy Chairman	Executive Risk Committee	Member
Mohammed Ali Said Al Qassabi	Nil	NA	NA	NA
Sanjay Kawatra	National Finance Company SAOG	Director	Nomination, Remuneration & Executive Committee	Member
			Risk Committee	Member
Adnan Hamza Mohammed Bogary	Nil	NA	NA	NA
Saeid Mohamed Obeid Binzagr	Nil	NA	NA	NA
Tareq Abdulrahman Al Sadhan	Nil	NA	NA	NA
Yousef Ali Al Quraishi	Nil	NA	NA	NA

Upholding Our Values

Agile

We are flexible in how we work, fast in our decision-making, quick to pivot and to embrace change.

Acceptive

We collaborate and communicate transparently and fairly with each other, with our partners, and with our customers, encouraging diverse points of view and respecting different ways of working.

Ambitious

We don't believe good enough is enough. We aim for the highest standards, not the market standard. Not just in innovation and product development but as importantly, in empathy and integrity.

Accountable

We have a responsibility, not just a job. We are dependable, not just available. We must advocate and consistently show up for our customers, and for each other.

Management Discussion & Analysis Report

Group Overview

In 2023 Liva Group SAOG ("Liva") ("the Group") demonstrated a robust financial performance despite challenging market conditions and alongside the integration of National Life General Insurance Company (NLGIC) and RSA Middle East (RSA). In addition to Insurance revenue growth of 43% and a profit after tax improvement 107% YoY, establishing Liva as a top 10 player in the GCC, the newly formed Group saw success in laying the foundations for delivering strong profitable growth through strengthening operations, management, governance, branding and its products.

Liva successfully launched its new brand identity, reaffirming its ambition to be a leading multi-line insurer in the region and next-generation insurer, enhancing the lives of a globally connected community. The Group has fully integrated and rebranded its operations in Kingdom of Saudi Arabia ("KSA"), Kingdom of Bahrain ("Bahrain") and Sultanate of Oman ("Oman"), through the implementation of a seamless integration program with strong governance, regulatory support and collaborative efforts to combine the strengths of both market players. The integration of operations in the United Arab Emirates ("UAE") and State of Kuwait ("Kuwait") are progressing well, and are due to be completed by Q2 2024, post obtaining the required regulatory approvals.

Profitability in 2023 has been encouraging, driven primarily by the Group's strong investment management whilst fully absorbing the financing and integration costs of the merger. Liva has rationalized and integrated its property portfolio region-wide to maximize future returns for its shareholders. As an outcome of the integration, Liva has successfully created an environment for future value creation through establishing a new culture, placing a strong focus on investing in talent at all levels and the right technologies, enabling operational efficiency improvements and enhancing the synergies of the merger, further ensuring delivery of the Group's strategic growth plans.

Financial Performance

In line with regulatory expectation, the Liva Group's financial result for 2023 is reflective of International Financial Reporting Standard 17 having been fully implemented in 2023.

Profit & Loss (OMR millions)

	FY 2022[1]	FY 2023	Change
Insurance revenue	217.0	310.8	43%
Insurance service result	5.5	9.0	65%
Investment income (Net)	6.8	12.9	90%
Profit after tax	3.1	6.4	107%

Insurance Revenue

Insurance revenue increased 43% YoY driven by a growth across all lines of business. Accelerated Commercial lines growth has successfully driven forward the Group's ambition to diversify the business, complemented by enhanced product propositions supporting the signing of new major pan-GCC accounts in line with the Grovup's strategy. Personal lines performance was primarily driven by continued success of the KSA growth strategy implemented in 2020 and The Group's ability to capture on regulatory changes which have catalysed motor insurance market expansion. Health & Life witnessed overall growth backed by achieving greater scale in the UAE as demand for medical products continues to increase.

Overall, Liva's insurance revenue performed well and in line with our strategy across core markets, with enhanced technical resilience across Personal and Commercial lines. This strengthened book will continue to earn-out over the plan, setting a robust baseline for enhanced growth. The Group is proud to maintain its market leading position in Oman and has achieved significant portfolio rebalancing, optimizing the book to improve profitability and diversify away from Health & Life.

Insurance Service Result

Liva's Net insurance service result grew 65% YoY although underwriting returns were negatively impacted by extrinsic market factors affecting claims behaviour across various markets and business lines. Court decisions in Oman impacted payouts for bodily

[1] *FY22 financial reports for Liva include Full year results for NLGIC and H2 Results for RSA ME. All subsequent YoY comparisons are reflective of this.*

injury claims, placing more pressure our reserves than we had anticipated. Health & Life saw a steady increase in claims frequency across all markets due to structural changes in post-covid consumer behaviour, with the impact most severe in the UAE. Mitigating actions aimed at addressing these challenges with corrective measures and implementing the appropriate controls to alleviate future impacts have been a focus, continuing into 2024.

Investment Income

The group delivered an Investment Income of 12.8m OMR driven by an increase in top-line growth and optimizing our portfolio with a more aggressive investment strategy in the KSA portfolio. The result was bolstered by a small amount of amortization write offs and the sale of a property in the UAE, as part the post-merger property rationalization strategy.

Capital Position (OMR millions)

	Dec-23
Total assets	398.2
Share Capital	69.0
Total Shareholder's Equity	107.1
Net Asset per share in OMR	0.27

Cash Flow (OMR’000s)

	Dec-23
Net cash generated from operating activities	(10,171)
Net cash generated from investing activities	26,119
Net cash used in financing activities	(9,837)

Portfolio Mix

	FY 2022	FY 2023	% Change
Health & Life	51.4%	50.2%	-1.1%
Personal Lines	30.2%	29.2%	-1.0%
Commercial Lines	18.5%	20.6%	2.1%

The ongoing balancing of the Group’s portfolio through diversified growth across markets and lines of business has provided resilience against challenges seen in 2023. The strategic optimization of our portfolio as a composite insurer allows the Group a competitive advantage with this rebalancing planned to continue as we further enhance our Life offerings, look to expand our Health business, and enter strategic partnerships whilst delivering against our ambition.

Market Observations

Economic Impacts

The GCC states are poised to effectively navigate through a decelerating global economy with 2024 GCC GDP growth expectations of 3.7%, +0.8% vs. global forecast. Growth in the region continues to be propelled by increased domestic demand, government investment in line with economic diversification goals and a rising expat and tourist population, all of which expand the total addressable market for a diverse range of insurance products. New sectors are being born and job creation are at the forefront of government agendas, particularly in the UAE and KSA.

Inflation is declining in most markets, reflecting the effect of tightening monetary policy. In the GCC, inflation has mostly returned to pre-pandemic levels after a series of interest rate hikes and it is expected to average 2.3% in 2024, down from 2.6% in 2023. Whilst inflation is evidentially slowing, pressure remains on insurers’ cost of operations placing focus on optimisation and further automation for efficiency.

Investment & Infrastructure Development

Substantial growth in infrastructure development is being witnessed throughout the GCC region with KSA leading the way and the UAE following closely behind. In addition to physical infrastructure, social infrastructure projects are underway to improve healthcare, education, and living standards for the region’s growing population.

In KSA, the government has committed substantial investment to support economic growth in line with its national development strategies, such as Saudi Vision 2030. The UAE government has committed to investment in multiple mega-projects across utilities, transport, decarbonization, and renewable energy generation. Oman's Vision 2040 aims to diversify manufacturing into technology and knowledge-driven activities and to develop projects focused on improving the health and welfare of people. Kuwait's four-year program for 2023–2027 consists of over 107 major projects across the economic, social, entertainment, and human resources sectors. In Bahrain over 50 major projects were launched in 2023, spanning various industries such as housing, education, health, and digitalization. These major developments across the GCC are expected to significantly increase insurable assets, boosting demand for property, construction, liability, and travel insurance.

Mandatory Health

The healthcare industry in the GCC region is undergoing a phase of growth and transformation as healthcare reforms aim to meet the increasing demands for health services and enhance health standards in the region. Over the past few years, GCC countries have been implementing mandatory health insurance schemes for all citizens and expatriates. Until 2023, Abu Dhabi and Dubai were the only Emirates in the UAE where medical insurance coverage was mandatory for expatriates. However, as of 2023, new government regulations have extended this scheme across the four Northern Emirates. Mandatory Health schemes are due to be launched imminently in Oman, Qatar and Bahrain. Dhamini is expected to commence in 2024, with the programme being gradually rolled out, covering employees, their dependents, tourists and foreign visitors. As the home market for the Liva, the Group plans to capitalise on the increased addressable market, with the expectation of a full roll out of the scheme in late 2024 / early 2025.

Strengthening Government Regulation

Over the last few years, regulatory bodies in the GCC have implemented various measures to enhance transparency, accountability, and fairness in the insurance sector. Notably, the adoption of IFRS17 is a significant move to standardize accounting for insurance contracts, fostering better comparability among companies.

In KSA, the motor market is undergoing transformation instigated by regulatory changes mandating third-party insurance coverage to a significant population of uninsured vehicles. These amendments, compelling individuals to purchase third party insurance, have not only fortified the industry but have also generated a compelling stimulus for market advancement. As we look ahead to 2024, this regulatory impetus is poised to be a driving force, propelling sustained growth in the motor insurance sector.

Regulatory developments across the GCC are anticipated to play a pivotal role in shaping the future of the insurance industry. The reforms aim to establish a regulatory framework that encourages product innovation within insurance companies while ensuring robust client protection.

Outlook & Growth Plans

Financial & Strategic Outlook

Liva's 2024 strategic growth ambition encompasses: improvement of top-line at a rate that outpaces the market whilst maintaining the market leading position for composite pan-regional insurers in the UAE and Oman, expansion of its product lines in KSA, and driving substantial growth in Bahrain and Kuwait, and a greater presence in Qatar.

The group aims to improve underwriting results through: optimization of the medical portfolio; further driving of efficiency in the motor book; and improvement of operational efficiencies and the expense ratio through digitization and automation initiatives, setting a strong foundation for future scale.

Personal Lines

Growth in Personal lines will be delivered through expanding strategic partnerships and seizing market opportunities created by regulatory changes for motor insurance in KSA, taking advantage of both the increased demand and upswing of average premiums. Both growth and profitability will be enhanced by realising benefits of a hardening motor insurance market in the UAE. The Group aims to further improve profitability by delivering on pricing actions initiated in Oman in 2023. The Group also plans to reduce expenses by rationalizing the operational model through digitization.

Commercial Lines

The Group aims to continue its accelerated growth trend, having delivered a 71% growth rate in the commercial lines portfolio over 2022 and 2023 all whilst sustaining a COR below market average. Growth and profitability will be delivered by expanding and enhancing our product proposition in all markets, with a key focus on KSA, Oman and the UAE. The Group aims to further strengthen its distribution partnerships with market leading brokers, achieving pan-GCC coverage. Reinsurance presents as an opportunity for further growth through leveraging existing treaties and networks.

Life & Health

The Group expects to optimize the medical book by improving loss ratios to counter structural shifts in market behavior. Liva is expanding into technological-driven solutions to drive profitable growth and sustain our market leading position in Oman, as well as our strong health business in the UAE. The Group is exploring new partnerships and product permutations to better service market needs and strengthen our value proposition as a regional multi-line insurer.

Digital Transformation & Innovation

Liva is exploring strategic partnerships across all lines of business to further its ambition of becoming a leading digital and tech-enabled innovative insurer and expand its "beyond insurance" agenda. After establishing its foothold in the market in 2023 as an industry leader, in 2024 the Group aims to benefit from economies of scale to maximize returns in continuing to digitize its operations.

During 2023 Liva partnered with technology player to help re-define and automate medical out-patient claims adjudication process, with the overarching goal of increasing efficiency by reducing dependency on manual people-driven tasks and processes. Liva is currently building on this relationship to expand from purely rule-based to AI-driven decision making and widen the geographic coverage from the UAE to all markets in the region.

Liva aims to establish itself as an innovator in the GCC market, currently partnering with a leading Healthtech company to help redefine the medical landscape in the region. Aligning to the Group's ambition to be both customer centric and digital-led innovators, this partnership provides Liva the opportunity to utilise revolutionary technology to enhance all care journeys. The goal is to significantly upgrade the current customer experience and improve the distribution and utilisation of providers, all whilst creating cost and operational efficiencies within the regional health network.

Environmental, Social & Governance

In 2024, Liva aims to build on the CSR principles established in 2023. In our commitment to Corporate Social Responsibility (CSR) in 2024, we prioritize initiatives aimed at enhancing health and well-being, fostering safe driving practices, utilising innovation and technology for social good, promoting environmental sustainability, and enriching culture and community. Under our health and well-being umbrella, we strive to improve access to health insurance, particularly in underserved and remote areas, while also spearheading community health awareness initiatives. With a special emphasis on mental health, we conduct workshops, foster collaborations, and engage in volunteering activities. In line with our dedication to promoting safe driving, we conduct digital awareness campaigns, organize community workshops, and establish corporate partnerships to promote safe and sustainable (car-pooling/hybrid working) driving practices. In the realm of innovation and technology, we endeavour to ensure that the benefits of technology reach marginalized communities as we maintain our support for student entrepreneurs in technology, notably through collaborations with organizations like Injaz Oman. Our commitment to the environment involves engaging our employees in sustainability practices, implementing digitalization strategies to reduce paper consumption, and adopting energy-saving measures across our operations. Lastly, in nurturing culture and community, we provide relief and provisions to those affected by conflict, extend support to the needy during Ramadan, and advocate for mindful cooking practices for healthy living. Through these multifaceted CSR efforts, we aim to make meaningful contributions to society while upholding our core ethos of integrity, compassion, and sustainability.

In our ESG plan for 2024, we are dedicated to driving sustainability and responsible business practices throughout The Group. We are currently identifying material topics by engaging with relevant stakeholders to ensure our efforts address key concerns and opportunities. This will inform the development of our ESG strategy framework which aligns with Oman Vision 2024, supported by a strong governance structure and roadmap for implementation. Our commitment to transparency will be evident through sustainability reporting that adheres to global best practices and the MSX framework. Additionally, we will focus on ESG rating readiness to enhance our standing in the eyes of investors and stakeholders. To ensure effective execution, we are building an ESG task force comprising members from various departments such as risk, compliance, finance, and brand & communications, fostering collaboration and ownership across the organization. Through these concerted efforts, we aim to embed sustainability into our core business operations and drive positive impact in the communities we serve.

Risk & Controls

The Group follows a comprehensive risk management policy to address risks inherent to strategies, operations, finance and compliance, and their resulting impact. The policy has been designed to outline the mechanism for identification, assessment, treatment, monitoring and reporting of risks, including any emerging risks. Risk management also includes an IT security governance review that assess the preparedness and precautions taken against various cyber threats.

The Board places strong importance on a robust internal control environment responsible for safeguarding the Company's assets and the interests of its shareholders. Controls exist across all areas of the organisation to prevent, identify and adjust errors or deviations. The Board is assisted by the Audit and Controls Committee (ACC) in this task.

The ACC reviews the Company's internal controls and reports to the Board on their effectiveness following the completion of internal and external auditor reports, as per the Internal Audit Plan. Our Enterprise Risk Management process with oversight of risk activities and the assessment of its effectiveness by the ACC and Board, ensures strong organisational performance excellence.

Acknowledgements

On behalf of the Company and all our staff, I express our sincere gratitude and appreciation to His Majesty Sultan Haitham bin Tarik on his dynamic leadership as he leads the Sultanate towards sustainable development, the achievement of Vision 2024, growth, and prosperity.

I would like to thank all the regulators, government bodies and ministries in the Sultanate of Oman and the GCC for their ongoing support, specifically the unwavering commitment related to our integration efforts. I would like to express my gratitude and appreciation to our investors, the Board of Directors, customers, business partners, reinsurers, and staff of the Company for their unwavering support.

Martin Rueegg,
Group Chief Executive Officer
Liva Group SAOG

KPMG

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Independent auditors' report

To the Shareholders of Liva Group SAOG

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the separate and consolidated financial statements of Liva Group SAOG (the "Company") and its subsidiaries (the "Group"), which comprise the separate and consolidated statements of financial position as at 31 December 2023, the separate and consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the separate and consolidated financial position of the Company and the Group as at 31 December 2023, and its separate and consolidated financial performance and separate and consolidated cash flows of the Company and the Group, respectively, for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Separate and Consolidated Financial Statements* section of our report. We are independent of the Company and Group in accordance with the International Ethics Standards Board for Accountants *International* Code of Ethics for Professional Accountants *(including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the separate and consolidated financial statements in the Sultanate of Oman, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Continued on page 2

CR No. 1358131
Tax Card No. 8063052

Liva Group SAOG
Independent Auditors' Report
31 December 2023

Continued from page 1

Key Audit Matters

Insurance contract liabilities

See Notes 2, 3, 5, 9 to the separate and consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
Measurement of gross insurance contract liabilities is a key audit matter due to the financial significance to the separate and consolidated financial statements, and the inherent complexity involved within the estimation process. The gross insurance contract liabilities comprise premium provisions (liability for remaining coverage – LRC) and claims provisions (liability for incurred claims – LIC). The Group has applied the Premium Allocation Approach ("PAA") for all groups of insurance contracts, except for Group credit life, Individual credit life, and individual life which is measured under the General Measurement Model ("GMM") approach. The measurement process involves a number of actuarial estimation techniques. These techniques are reliant on historical data and a number of assumptions which are subjective in nature. Further, significant judgement is required in determining the appropriate measurement approach for distinct portfolios. Changes to estimation techniques and assumptions can lead to a material impact on the measurement of insurance contract liabilities and a corresponding effect on the separate and consolidated statement of profit or loss. Insurance contract liabilities measured using the PAA remain susceptible to a risk that an inappropriate amount of LIC is estimated due the following elements: • Methods to determine ultimate expected claims are inappropriately determined.	Our audit procedures, supported by our actuarial and accounting specialists, included: • Performing walkthroughs to understand and assess the design effectiveness and implementation of the controls over the underwriting, claims payments and reserving (estimation of LIC and LRC) processes. • Testing operating effectiveness of key controls over underwriting, claims payments and reserving process, including IT general and application controls. • Holding discussions with finance and actuarial staff and management's actuarial specialists to obtain an understanding of the following: - LIC, LRC and CSM estimation methodology; - Key assumptions used and changes thereof; and - Transition approach and the process followed. • Assessing the appropriateness of management's assessment to determine the classification of groups of insurance contracts; and the selection of the appropriate measurement approaches. • Evaluating methods and assumptions to determine the appropriateness of ultimate expected claims including ultimate claim ratios. This included evaluating management's methodology against market practice. • Performing an independent calculation of LIC for a sample of insurance contract groups to challenge management's assumptions used within the LIC calculation.

Continued on page 3

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Liva Group SAOG
Independent Auditors' Report
31 December 2023

Continued from page 2

Key Audit Matters *(continued)*

Insurance contract liabilities

See Notes 2, 5, 9 to the (consolidated) financial statements.

The key audit matter	How the matter was addressed in our audit
• Assumptions used in estimating ultimate expected claims are inappropriately developed. • The methods, assumptions and data are inappropriately applied. Insurance contracts liabilities measured using the GMM remain susceptible to a risk that the LRC, the contractual service margin ("CSM") and LIC is inappropriately estimated due to the following elements: • Methods and assumptions to determine future cash flows, CSM, discount rate and ultimate expected claims are inappropriately determined. • The methods, assumptions and data are inappropriately applied. The measurement of these liabilities depends on complete and accurate data. If the data used in calculating the above insurance contract liabilities is not complete and accurate, then material impacts on financial statements may arise. Specific audit and actuarial expertise is required to evaluate complex actuarial methodologies and assumptions. <u>Transition to IFRS 17</u> Transition to IFRS 17 Insurance Contracts ("IFRS 17") represents a material change to the recognition, measurement and presentation of insurance contracts. In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8"), the Company and Group has recognized the impact upon transition to the new standard within equity and has restated the comparative financial information. IFRS 17 also introduced disclosure requirements which require considerable management effort and interpretation in the preparation of the separate and consolidated financial statements.	• Evaluating methods and assumptions used by management to estimate amount, timing, uncertainty of future cash flows and estimate discount rate and the CSM. This involved: - evaluating management's methodology to estimate the discount rate and its re-calculation; - evaluating the reasonableness of projections of the cashflows and CSM ; - performing evaluation of the reasonableness of roll forward of CSM. • Checking the mathematical accuracy of the application of methods, assumptions and data to measure the insurance contract liabilities. • Evaluating management's method for determining expected premium receipts, including the methodology for allocation of expected premium receipts to the relevant accounting period. • Assessing the competence, qualification, independence and integrity of the Company and Group's external actuarial experts. • Considering the terms of engagement between management specialists and the Company and Group to understand the scope of work to be performed by management specialists, and evaluating whether the scope addresses the specific requirements of IFRS 17 implementation. • Testing the completeness, accuracy and relevance of data used to determine LIC, LRC and the CSM balance. • Evaluating the new accounting policies adopted by the Company and Group upon transition to IFRS 17. This involved challenging management on areas of judgement and methodology choices considering the IFRS 17 principles and market practice. • Assessing the completeness and accuracy of disclosures within the financial statements in respect of the transition, LIC, LRC and the CSM considering the disclosure requirements of IFRS 17.

Continued on page 4

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Liva Group SAOG
Independent Auditors' Report
31 December 2023

Continued from page 3

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report and as specified below, but does not include the separate and consolidated financial statements and our auditors' report thereon:

- Chairman's Report;
- Management Discussion and Analysis Report;
- Corporate Governance Report.

Our opinion on the separate and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with IFRS Accounting Standards and their preparation in compliance with the relevant disclosure requirements of the Capital Market Authority and the applicable provisions of the Commercial Companies Law of 2019, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's andGroup's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and the Group or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Company's and the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Continued on page 5

Liva Group SAOG
Independent Auditors' Report
31 December 2023

Continued from page 4

Auditors' Responsibilities for the Audit of the separate and consolidated Financial Statements

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Continued on page 6

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Liva Group SAOG
Independent Auditors' Report
31 December 2023

Continued from page 5

Report on Other Legal and Regulatory Requirements

Further, we report that financial statements of the Company as at and for the year ended 31 December 2023, comply, in all material respects, with the:

- relevant disclosure requirements of the Capital Market Authority; and
- applicable provisions of the Commercial Companies Law of 2019.

Kenneth Macfarlane
3 March 2024

KPMG LLC

KPMG
KPMG LLC
Children's Public Library Building
4th floor, Shatti Al Qurum
P O Box 641, PC 112
Sultanate of Oman
CR.No: 1358131

Protecting What Matters

Health & Life

Personal Lines

Commercial Lines

Liva Group SAOG & Its Subsidiaries
Separate & Consolidated Statement Of Financial Position
As At 31 December 2023

		Group			Parent Company		
Assets	**Notes**	**2023**	**2022**	**1 Jan 22**	**2023**	**2022**	**1 Jan 22**
		RO	**RO**	**RO**	**RO**	**RO**	**RO**
			(Restated*)	**(Restated*)**		**(Restated*)**	**(Restated*)**
Cash and bank balances	6 (a)	**54,003,295**	47,925,842	14,431,408	**11,285,718**	19,631,657	13,222,586
Bank deposits	7	**122,753,154**	147,389,140	47,393,332	**19,173,355**	42,143,517	47,393,332
Investment in securities	8 (a)	**123,668,132**	106,992,294	50,671,817	**27,617,360**	56,376,006	50,671,817
Investment in subsidiaries	8 (b)	-	-	-	**145,516,034**	125,823,664	949,759
Insurance contract assets	9	**889,696**	251,789	175,528	-	73,110	175,528
Reinsurance contract assets	11	**28,672,971**	24,205,690	11,460,064	**1,716,205**	9,107,758	11,460,064
Other receivables and prepayments	14	**31,883,319**	22,574,604	6,384,580	**22,506,901**	10,199,835	5,991,472
Loans to policyholders	15	**31,634**	47,587	70,204	-	47,587	70,204
Property and equipment	17	**7,379,782**	9,131,126	6,619,588	**3,492,307**	6,280,651	6,498,056
Deferred tax asset	32	**517,379**	638,574	2,449,863	**391,514**	398,570	2,430,393
Intangible assets (including goodwill)	18	**28,564,459**	28,899,036	449,051	**255,369**	425,455	449,051
Total assets		**398,363,821**	388,055,682	140,105,435	**231,954,763**	270,507,810	139,312,262
Equity & Liabilities							
Equity							
Share capital and premium	19	**69,013,902**	69,013,902	26,500,000	**69,013,902**	69,013,902	26,500,000
Legal reserve	20	**9,775,095**	9,199,031	8,833,333	**9,775,095**	9,199,031	8,833,333
Contingency reserve	21	**17,576,121**	17,531,397	15,147,024	**17,576,121**	17,531,397	15,147,024
Revaluation reserve	22	**352,345**	352,345	352,345	**352,345**	352,345	352,345
Fair value reserve		**3,336,100**	2,472,315	259,524	**3,336,100**	2,472,315	259,524
Foreign exchange translation reserve		**(60,693)**	(45,460)	(21,976)	**(60,693)**	(45,460)	(21,976)
Retained earnings		**7,220,268**	1,795,857	2,830,200	**9,995,543**	4,571,132	2,830,200
Total equity attributable to shareholders of the Parent		**107,213,138**	100,319,387	53,900,450	**109,988,413**	103,094,662	53,900,450
Non-controlling interests		**17,361,561**	16,756,146	-	-	-	-
Total equity		**124,574,699**	117,075,533	53,900,450	**109,988,413**	103,094,662	53,900,450
Liabilities							
Insurance contract liabilities	9	**148,595,008**	152,273,176	68,465,555	**32,879,639**	76,975,532	68,465,555
Reinsurance contract liabilities	11	**13,199,660**	5,923,425	620,663	**978,509**	500,145	620,663
Other liabilities	24	**33,265,679**	28,772,851	8,345,289	**16,374,161**	12,524,208	7,552,116
Term loans	6 (b)	**71,706,010**	77,093,974	7,500,000	**71,706,010**	77,093,974	7,500,000
Income tax payable	32	**7,022,765**	6,916,723	1,273,478	**28,031**	319,289	1,273,478
Total liabilities		**273,789,122**	270,980,149	86,204,985	**121,966,350**	167,413,148	85,411,812
Total equity and liabilities		**398,363,821**	388,055,682	140,105,435	**231,954,763**	270,507,810	139,312,262
Net assets per share	**26**	**0.269**	0.252	0.203	**0.276**	0.259	0.203

The seperate and consolidated financial statements were authorised for issue in accordance with a resolution of the board of directors on 28 February 2024.

Chairman **Group Chief Financial Officer** **Group Chief Executive Officer**

The attached notes from 1 to 39 form part of these separate and consolidated financial statements. The Independent auditor's report is set out on pages 1 to 6.

* Comparative Information has been restated on account of first time adoption of IFRS 17 Insurance contracts (refer note 3).

Separate & Consolidated Statement Of Profit Or Loss

As At 31 December 2023

		Group		Parent Company	
		2023	2022	2023	2022
		RO	RO	RO	RO
Statement of profit or loss	Notes		(Restated*)		(Restated*)
Insurance revenue	9	**310,756,743**	216,979,060	**159,041,827**	158,701,118
Insurance service expense	9	**(279,207,234)**	(204,345,386)	**(159,374,834)**	(154,584,492)
Insurance service result before reinsurance contracts held		**31,549,509**	12,633,674	**(333,007)**	4,116,626
Allocation of reinsurance premiums	11	**(51,359,635)**	(33,390,856)	**(27,567,102)**	(21,447,760)
Amounts recoverable from reinsurers for incurred claims	11	**28,852,971**	26,236,614	**25,965,744**	20,675,616
Net expense from reinsurance contracts held		**(22,506,664)**	(7,154,242)	**(1,601,358)**	(772,144)
Insurance service result		**9,042,845**	5,479,432	**(1,934,365)**	3,344,482
Investment income - net**	28	**12,821,941**	6,788,248	**4,667,635**	4,696,898
Share of profit from subsidiaries	8 (b)	-	-	**10,251,896**	1,976,623
Expected credit losses on financial assets		**51,179**	(12,562)	**(14,969)**	(12,562)
Total investment income		**12,873,120**	6,775,686	**14,904,562**	6,660,959
Insurance finance expenses for insurance contracts issued	9	**(3,409,702)**	(1,081,309)	**(1,451,901)**	(828,894)
Reinsurance finance income for reinsurance contracts held	11	**1,191,676**	377,699	**358,338**	225,112
Net financial result		**(2,218,026)**	(703,610)	**(1,093,563)**	(603,782)
Other operating income – net	29	**4,752,583**	235,062	**2,860,611**	105,307
Finance cost	30	**(4,449,163)**	(1,579,248)	**(4,391,815)**	(1,579,248)
Non attributable Expenses	31	**(12,500,237)**	(6,205,053)	**(4,757,746)**	(4,350,248)
Profit before tax		**7,501,122**	4,002,269	**5,587,684**	3,577,470
Income tax expense	32	**(1,124,613)**	(921,294)	**172,953**	(280,796)
Profit for the year		**6,376,509**	3,080,975	**5,760,637**	3,296,674
Profit for the period attributable to:					
Equity holders of the Parent Company		**5,760,637**	3,296,674	**5,760,637**	3,296,674
Non-controlling interests		**615,872**	(215,699)	-	-
		6,376,509	3,080,975	**5,760,637**	3,296,674
Other comprehensive income					
(Items that are or may be reclassified subsequently to profit or loss):					
Exchange differences on translation of foreign operations		**(4,130)**	(23,484)	**(4,130)**	(23,484)
Changes in fair value of debt instruments at fair value through other comprehensive income – net		**880,917**	573,834	**892,020**	111,327
(Items that will not be reclassified to profit or loss):					
Share of FVOCI from subsidiaries		-	-	**(146,758)**	1,942,142
Change in value of investments carried at fair value through other comprehensive income (unrealized gain/(loss) – Equity investments		**256,327**	3,992,001	**403,085**	459,876
Movement in other reseves		**(10,457)**	-	**(11,103)**	-
Other comprehensive income		**1,122,657**	4,542,351	**1,133,114**	2,489,861
Total comprehensive income for the year		**7,499,166**	7,623,326	**6,893,751**	5,786,535
Total comprehensive income for the year attributable to:					
Equity holders of the Parent Company		**6,893,751**	5,786,535	**6,893,751**	5,786,535
Non-controlling interests		**605,415**	1,836,791	**-**	-
		7,499,166	7,623,326	**6,893,751**	5,786,535
Earnings per share - basic and diluted	33	**0.014**	0.010	**0.014**	0.010

Items in other comprehensive income above are disclosed net of tax. The tax relating to components of other comprehensive income is disclosed in note 32.

The attached notes from 1 to 39 form part of these separate and consolidated financial statements. The Independent auditor's report is set out on pages 1 to 6.

* Comparative Information has been restated on account of first time adoption of IFRS 17 Insurance contracts (refer note 3).

** Investment income - net includes interest income calculated using the effective interest rate.

Separate & Consolidated Statement Of Changes In Equity
As At 31 December 2023

	Share Capital	Share Premium	Legal Reserve	Contingency Reserve	Revaluation Reserve	Fair Value Reserve	Foreign Exchange Translation Reserve	Retained Earnings	Non Controlling Interest	Total
Group (Restated*)	RO	RO	RO	RO	RO	RO	RO	RO	RO	RO
At 1 January 2022, as previously reported	26,500,000	-	8,833,333	15,147,024	352,345	259,524	(21,976)	15,357,050	-	66,427,300
Transition adjustment on implementation of IFRS-17 net of tax	-	-	-	-	-	-	-	(12,526,838)	-	(12,526,838)
At 1 January 2022 (Restated)	26,500,000	-	8,833,333	15,147,024	352,345	259,524	(21,976)	2,830,212	-	53,900,462
Profit for the year	-	-	-	-	-	-	-	3,296,674	(215,699)	3,080,975
Change in value of investments carried at fair value through other comprehensive income	-	-	-	-	-	2,491,148	-	-	2,052,490	4,543,638
Transfer on redemption of fair value through other comprehensive investments	-	-	-	-	-	22,197	-	-	-	22,197
Change in foreign exchange fluctuation reserve	-	-	-	-	-	-	(23,484)	-	-	(23,484)
Total comprehensive income for the year:	-	-	-	-	-	2,513,345	(23,484)	3,296,674	1,836,791	7,623,326
Issuance of share capital	13,337,434	29,176,468	-	-	-	-	-	-	-	42,513,902
Impact on reclassification of investments on acquisition of a subsidiary	-	-	-	-	-	-	-	893,763	12,850	906,613
Transfer on sale of fair value through other comprehensive investments	-	-	-	-	-	(300,554)	-	300,554	-	-
Transfer to legal reserve	-	-	365,698	-	-	-	-	(365,698)	-	-
Transfer to contingency reserve	-	-	-	2,384,373	-	-	-	(2,384,373)	-	-
Acquisition of NCI Share (47.5%) of Al Ahlia	-	-	-	-	-	-	-	(2,775,275)	(19,359,725)	(22,135,000)
Acquisition of NCI related to RSA ME (note 18.3)	-	-	-	-	-	-	-	-	34,266,230	34,266,230
At 31 December 2022	39,837,434	29,176,468	9,199,031	17,531,397	352,345	2,472,315	(45,460)	1,795,857	16,756,146	117,075,533

The attached notes from 1 to 39 form part of these separate and consolidated financial statements. The Independent auditor's report is set out on pages 1 to 6.

* Comparative Information has been restated on account of first time adoption of IFRS 17 Insurance contracts (refer note 3).

Separate & Consolidated Statement Of Changes In Equity (Continued)

As At 31 December 2023

	Share Capital	Share Premium	Legal Reserve	Contingency Reserve	Revaluation Reserve	Fair Value Reserve	Foreign Exchange Translation Reserve	Retained Earnings	Non Controlling Interest	Total
Group	RO	RO	RO	RO	RO	RO	RO	RO	RO	RO
At 1 January 2023	**39,837,434**	**29,176,468**	**9,199,031**	**17,531,397**	**352,345**	**2,472,315**	**(45,460)**	**1,795,857**	**16,756,146**	**117,075,533**
Profit for the year	-	-	-	-	-	-	-	5,760,637	615,872	6,376,509
Change in value of investments carried at fair value through other comprehensive income	-	-	-	-	-	1,148,347	-	-	(10,457)	1,137,890
Change in foreign exchange fluctuation reserve	-	-	-	-	-	-	(15,233)	-	-	(15,233)
Total comprehensive income for the year:	-	-	-	-	-	**1,148,347**	**(15,233)**	**5,760,637**	**605,415**	**7,499,166**
Transfer on sale of fair value through other comprehensive investments	-	-	-	-	-	(284,562)	-	284,562	-	-
Transfer to Legal reserve	-	-	576,064	-	-	-	-	(576,064)	-	-
Transfer to contingency reserve	-	-	-	44,724	-	-	-	(44,724)	-	-
At 31 December 2023	**39,837,434**	**29,176,468**	**9,775,095**	**17,576,121**	**352,345**	**3,336,100**	**(60,693)**	**7,220,268**	**17,361,561**	**124,574,699**

The attached notes from 1 to 39 form part of these separate and consolidated financial statements. The Independent auditor's report is set out on pages 1 to 6.

	Share Capital	Share Premium	Legal Reserve	Contingency Reserve	Revaluation Reserve	Fair Value Reserve	Foreign Exchange Translation Reserve	Retained Earnings	Total
Parent Company (Restated*)	RO	RO	RO	RO	RO	RO	RO	RO	RO
At 1 January 2022, as previously reported	26,500,000	-	8,833,333	15,147,024	352,345	259,524	(21,976)	15,357,050	66,427,300
Transition adjustment on implementation of IFRS-17 net of tax	-	-	-	-	-	-	-	(12,526,838)	(12,526,838)
At 1 January 2022 (Restated)	**26,500,000**	**-**	**8,833,333**	**15,147,024**	**352,345**	**259,524**	**(21,976)**	**2,830,212**	**53,900,462**
Profit for the year	-	-	-	-	-	-	-	3,296,674	3,296,674
Change in value of investments carried at fair value through other comprehensive income	-	-	-	-	-	2,491,148	-	-	2,491,148
Transfer on redemption of fair value through other comprehensive investments	-	-	-	-	-	22,197	-	-	22,197
Change in foreign exchange fluctuation reserve	-	-	-	-	-	-	(23,484)	-	(23,484)
Total comprehensive income for the year:	-	-	-	-	-	2,513,345	(23,484)	3,296,v674	5,786,535
Issuance of Share capital	13,337,434	29,176,468	-	-	-	-	-	-	42,513,902
Impact on reclassification of investments on acquisition of a subsidiary	-	-	-	-	-	-	-	893,763	893,763
Transfer on sale of fair value through other comprehensive investments	-	-	-	-	-	(300,554)	-	300,554	-
Transfer to legal reserve	-	-	365,698	-	-	-	-	(365,698)	-
Transfer to contingency reserve	-	-	-	2,384,373	-	-	-	(2,384,373)	-
At 31 December 2022	**39,837,434**	**29,176,468**	**9,199,031**	**17,531,397**	**352,345**	**2,472,315**	**(45,460)**	**4,571,132**	**103,094,662**

The attached notes from 1 to 39 form part of these separate and consolidated financial statements. The Independent auditor's report is set out on pages 1 to 6.

* Comparative Information has been restated on account of first time adoption of IFRS 17 Insurance contracts (refer note 3).

Separate & Consolidated Statement Of Changes In Equity (Continued)

As At 31 December 2023

	Share capital	Share Premium	Legal reserve	Contingency reserve	Revaluation reserve	Fair value reserve	Foreign exchange translation reserve	Retained Earnings	Total
Parent Company	RO	RO	RO	RO	RO	RO	RO	RO	RO
At 1 January 2023	**39,837,434**	**29,176,468**	**9,199,031**	**17,531,397**	**352,345**	**2,472,315**	**(45,460)**	**4,571,132**	**103,094,662**
Profit for the year	-	-	-	-	-	-	-	5,760,637	5,760,637
Change in value of investments carried at fair value through other comprehensive income	-	-	-	-	-	1,148,347	-		1,148,347
Change in foreign exchange fluctuation reserve	-	-	-	-	-	-	(15,233)	-	(15,233)
Total comprehensive income for the year:	**-**	**-**	**-**	**-**	**-**	**1,148,347**	**(15,233)**	**5,760,637**	**6,893,751**
Transfer on sale of fair value through other comprehensive investments	-	-	-	-	-	(284,562)	-	284,562	-
Transfer to Legal reserve	-	-	576,064	-	-	-	-	(576,064)	-
Transfer to contingency reserve	-	-	-	44,724	-	-	-	(44,724)	-
At 31 December 2023	**39,837,434**	**29,176,468**	**9,775,095**	**17,576,121**	**352,345**	**3,336,100**	**(60,693)**	**9,995,543**	**109,988,413**

The attached notes from 1 to 39 form part of these separate and consolidated financial statements. The Independent auditor's report is set out on pages 1 to 6.

Reaffirming Excellence

A-
'Financial Strength Rating'
AM BEST SINCE 1899

A-
'Long-Term Issuer Credit Rating'
AM BEST SINCE 1899

A- rating reflects our strong balance sheet, impressive operating performance, neutral business profile, and effective enterprise risk management.

Separate & Consolidated Statement Of Cash Flows

As At 31 December 2023

		Group		Parent Company	
		2023	2022	2023	2022
		RO	RO	RO	RO
Operating Activities	Notes		(Restated*)		(Restated*)
Net profit before tax for the period		**7,501,122**	4,002,269	**5,587,684**	3,577,470
Adjustments for:					
Realised / unrealised (loss)/ gain on investments at FVTPL, FVOCI, Amortised cost – net	28	**(814,284)**	291,302	**151,289**	293,594
Share of profits of investment in subsidiaries	8 (b)	-	-	**(10,251,896)**	(1,976,623)
Provision for expected credit loss of financial assets		**(51,179)**	13,070	**14,969**	12,562
Provision for employees' end of service benefits	31	**1,239,586**	469,858	**268,598**	214,591
Interest income net of amortization	28	**(11,785,667)**	(6,898,638)	**(4,623,822)**	(4,818,944)
Finance cost	30	**4,449,163**	1,579,248	**4,391,815**	1,579,248
Dividend income	28	**(359,660)**	(256,895)	**(333,163)**	(247,531)
Depreciation	17	**2,060,839**	1,568,890	**742,507**	893,464
Amortisation of intangible assets	18.1	**856,766**	301,990	**23,596**	23,596
Gain on disposal of property andequipment	29	**(2,746,562)**	-	**(2,746,562)**	-
Operating cash flows before movement in working capital		**350,124**	1,071,094	**(6,774,985)**	(448,573)
Changes In Working Capital					
Insurance contract liabilities and assets		**(4,316,073)**	22,372,995	**(44,022,783)**	8,613,780
Other receivables and prepayments		**(10,742,854)**	(6,801,242)	**(15,963,710)**	(2,061,630)
Reinsurance contract assets and liabilities		**2,808,955**	2,744,339	**7,869,917**	2,230,403
Other liabilities		**4,492,828**	1,700,621	**3,920,269**	2,797,080
		(7,407,020)	21,087,807	**(54,971,292)**	11,131,060
Employees' end of service benefits paid	24.1	**(1,671,141)**	(878,267)	**(514,728)**	(120,503)
Income tax paid	32	**(840,037)**	(1,321,176)	**(273,478)**	(1,240,503)
Net cash (used in) / generated from operating activities		**(9,918,198)**	18,888,364	**(55,759,498)**	9,770,054
Investing Activities					
Movement in bank deposits		**24,707,742**	1,685,973	**23,041,918**	5,261,951
Purchase of property and equipment (including intangible)	17 & 18	**(2,017,760)**	(1,270,192)	**(653,162)**	(676,059)
Purchase of investment securities		**(72,800,189)**	(10,648,529)	**(19,424,720)**	(10,441,267)
Proceeds from disposals of investment securities		**58,097,297**	3,569,987	**39,270,647**	3,481,487
Net cash acquired on acquisition of a subsidiary		-	(55,314,045)	-	(74,195,600)
Proceeds from disposal of property andequipment		**3,932,638**	122,241	**3,932,638**	-
Interest income received from bank deposits,bonds and securities		**13,636,259**	8,373,005	**5,481,952**	5,097,391
Dividends received		**309,497**	231,724	**5,536,997**	231,724
Net movement in loans to policy holders		-	22,625	-	22,625
Net cash generated from /(used in) investing activities		**25,865,484**	(53,227,211)	**57,186,270**	(71,217,748)
Financing Activities					
Finance costs paid		**(4,449,163)**	(1,579,248)	**(4,391,815)**	(1,579,248)
Dividends paid	23	-	-	-	-
Share issue expenses		-	(165,888)	-	(165,888)
(Repayment of)/proceeds from term loan		**(5,387,964)**	69,593,974	**(5,387,964)**	69,593,974
Net cash (used in)/generated from financing activities		**(9,837,127)**	67,848,838	**(9,779,779)**	67,848,838
Net increase in cash and cash equivalents		**6,110,159**	33,509,991	**(8,353,007)**	6,401,144
Currency translation adjustment		**(4,130)**	(23,484)	-	-
Cash and cash equivalents at the beginning of the period	6 (a)	**47,955,707**	14,469,199	**19,661,522**	13,260,377
Cash and cash equivalents at the end of the year	6	**54,061,736**	47,955,706	**11,308,515**	19,661,521

The attached notes from 1 to 39 form part of these separate and consolidated financial statements. The Independent auditor's report is set out on pages 1 to 6.

* Comparative Information has been restated on account of first time adoption of IFRS 17 Insurance contracts (refer note 3).

Notes To The Separate & Consolidated Financial Statements As At 31 December 2023

1. Legal Status & Principal Activities

Liva Group SAOG ("the Company" or "the Parent Company") formerly "National Life and General Insurance Company SAOG " is a public joint stock company incorporated in the Sultanate of Oman in 1995 and is engaged in the business of life and general insurance within the Sultanate of Oman, United Arab Emirates (UAE) and Kuwait. It commenced its operations with life and health business in Oman and diversified into general insurance business after obtaining general insurance license in 2006. The Company has expanded its operations in UAE with a branch in Dubai to transact life insurance business as per the license dated 13 May 2007 issued by United Arab Emirates Insurance Authority. During 2014, the Parent Company obtained a license dated 8 May 2014 to have a branch in Abu Dhabi issued by United Arab Emirates Insurance Authority and commenced operations in Abu Dhabi during 2015 onwards. During October 2017, the Company has obtained license for branch operations in Kuwait and has commenced life and general business from January 2018

In accordance with the Royal Decree 39/2014 dated 17 August 2014 (the "RD"), all insurance companies registered under Commercial Companies Law should be a Public Joint Stock Company with a minimum paid up capital of RO 10 million within 3 years from the date of the RD. Accordingly, the Company completed the IPO process transforming itself from a closed joint stock company to a Public Oman Joint Stock Company (SAOG) and listed the Company's shares for trading on the MSM from 6 December 2017 onwards.

The Parent Company has three fully owned subsidiaries "Liva Insurance BSC (c)" in Bahrain rebranded from "Royal & Sun Alliance Insurance (Middle East) (RSA ME)" ,"NLGIC Support Services Private Limited' in India and "Inayah TPA LLC" in UAE and owns shares totalling 62.5% of "Liva Insurance SAOC" formerly Al Ahlia Insurance Co. SAOG (Al Ahlia), due to which consolidated financial statements comprise of the Parent Company and its subsidiaries (together referred to as the Group). The separate financial statements represent the financial statements of the Parent Company on a stand-alone basis. The separate and consolidated financial statements are collectively referred to as "the separate and consolidated financial statements".

The Parent Company is a subsidiary of Oman International Development and Investment Company SAOG (OMINVEST), a public joint stock company incorporated in the Sultanate of Oman, which is the ultimate parent company.

2. Basis Of Preparation

2.1 Statement Of Compliance

These separate and consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and comply with applicable requirements of the Commercial Companies Law, as amended, Insurance Companies Law, as amended and relevant requirements of the Capital Market Authority of the Sultanate of Oman.

2.2 Basis Of Measurement

The separate and consolidated financial information has been prepared on the historical cost basis except for the following:

- Investments carried at fair value through other comprehensive income and investments carried at fair value through profit or loss which are measured at fair value.
- Insurance and reinsurance contract assets and liabilities which are measured on the basis of fulfillment cashflows and contractual service margin.

2.3 Functional & Reporting Currency

These separate and consolidated financial statements are presented in Rial Omani, which is the Parent Company's functional and presentation currency. The functional currencies of the Group's operations are as follows:

- Sultanate of Oman: Rial Omani
- United Arab Emirates: UAE Dirham
- Kuwait: Kuwaiti Dinar
- India: Indian Rupees
- Saudi Arabia - Saudi Riyal
- Bahrain - Bahraini Dinar

2.4 Use Of Estimates & Judgments

The preparation of these separate and consolidated financial statements in conformity with IFRS requires management to make judgments, 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in the future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the separate and consolidated financial statements are described in note 5.

2.5 Standards & Interpretations Adopted For Accounting Period Beginning On 1 January 2023

The Group has adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 January 2023.

IFRS 17 Insurance contracts - The Group has adopted IFRS 17 Insurance Contracts - the polices and impact of this adoption are provided in Note 3.

Other new standards and amendments : The following are other new standards or amendments which do not have a significant impact on the Group's consolidated financialstatements, when effective :

- Definition of accounting estimates (Amendment to IAS 8)
- Disclosure of material accounting polices (Amendment to IAS 1 and IFRS practice statement 2)

3. Changes In Accounting Policies & Disclosures

In these financial statements, the Group has applied IFRS 17 for the first time. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3.1 IFRS 17 Insurance Contracts

IFRS 17 replaces IFRS 4 Insurance Contracts for annual periods on or after 1 January 2023.

The Group has restated comparative information for 2022 applying the transitional provisions in Appendix C to IFRS 17. The nature of the changes in accounting policies can be summarised, as follows:

3.1.1 Changes To Classification & Measurement

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

The Group writes Life, Medical and General insurance policies which are described as below along with its measurement models:

Life Insurance Contracts

Long term life insurance include Individual Life, Individual Credit Life and Group Credit Life portfolios which are measured by applying the General Measurement Model (GMM).

Short term life insurance include Group Life (one year insurance contracts) and Retail i.e. Personal accident insurance contracts having term of one to two years which are measured by applying the Premium Allocation Approach (PAA).

Medical Insurance Contracts

Medical insurance include Group Medical (one year insurance contracts with corporates) and Individual medical insurance contracts having term of one to three years which are measured by applying the PAA.

General Insurance Contracts

Motor insurance include Third Party coverage polices and Comprehensive Coverage policies. The Motor insurance contracts are also classified as Commercial Lines (Corporate) and Personal Lines (Individual) portfolios. Non-Motor insurance include Property, Engineering, Marine, Travel and Liability insurance contracts. Both Motor and Non-Motor portfolios are measured by applying the PAA.

Under IFRS 17, most of the Group's insurance contracts issued, and reinsurance contracts (except for Long term life insurance portfolios) held are eligible to be measured by applying the PAA. The PAA simplifies the measurement of insurance contracts in comparison with the GMM in IFRS 17.

The measurement principles of the PAA differ from the 'earned premium approach' used by the Group under IFRS 4 in the following key areas:

- The liability for remaining coverage (LFRC) reflects premiums received less deferred insurance acquisition cash flows and less amounts recognised in revenue for insurance services provided.
- Measurement of the liability for remaining coverage involves an explicit evaluation of risk adjustment (RA) for non-financial risk when a group of contracts is onerous in order to calculate a loss component (previously these may have formed part of the unexpired risk reserve provision).
- Measurement of the liability for incurred claims (previously claims outstanding and incurred-but-not-reported (IBNR) claims) is determined on a discounted probability-weighted expected value basis and includes an explicit risk adjustment for non-financial risk. The liability includes the Group's obligation to pay other incurred insurance expenses.
- Measurement of the asset for remaining coverage (reflecting reinsurance premiums paid for reinsurance held) is adjusted to include a loss-recovery component to reflect the expected recovery of onerous contract losses where such contracts reinsure onerous direct contracts.

The Group defers it's insurance acquisition cash flows for all its product lines. The Group allocates the acquisition cash flows to groups of insurance contracts issued or expected to be issued using a systematic and rational basis. Insurance acquisition cash flows include those that are directly attributable to a group and to future groups that are expected to arise from renewals of contracts in that group. Where such insurance acquisition cash flows are paid (or where a liability has been recognised applying another IFRS standard) before the related group of insurance contracts is recognised, an asset for insurance acquisition cash flows is recognised. When insurance contracts are recognised, the related portion of the asset for insurance acquisition cash flows is derecognised and subsumed into the measurement at initial recognition of the insurance liability for remaining coverage of the related group.

For presentation in the statement of financial position, the Group aggregates insurance and reinsurance contracts issued and reinsurance contracts held, respectively and presents 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

3.1.2 Changes To Presentation & Disclosure

The line item descriptions in the statement of profit or loss and other comprehensive income have been changed significantly compared with last year. Previously, the Group reported the following line items:

- Gross written premiums
- Net written premiums
- Changes in premium reserves
- Gross insurance claims
- Net insurance claims

Instead, IFRS 17 requires separate presentation of:

- Insurance revenue
- Insurance service expenses
- Allocation of reinsurance premiums
- Amounts recoverable from reinsurers for incurred claims
- Insurance service result
- Insurance finance income or expenses

3.1.3 Transition

On transition date, 1 January 2022, the Group:

- Has identified, recognised and measured each group of insurance contracts as if IFRS 17 had always applied
- Has identified, recognised and measured assets for insurance acquisition cash flows as if IFRS 17 has always applied. However, no recoverability assessment was performed before the transition date. At transition date, a recoverability assessment was performed, and no impairment loss was identified
- Derecognised any existing balances that would not exist had IFRS 17 always applied
- Recognised any resulting net difference in equity

Choice Of Method

Changes in accounting policies resulting from the adoption of IFRS 17 are applied using a Modified Retrospective Approach (MRA). The objective of the modified retrospective approach is to achieve the closest outcome to retrospective application possible using reasonable and supportable information available without undue cost or effort.

The Group has opted to adopt Modified Retrospective Approach to achieve a transition result that is as close to the retrospective application as possible where some information is missing. The simplification considered as compared to the full retrospective approach is as follows:

a) If information is not available to be able to separate contracts issued more than one year apart into annual cohorts, these can be aggregated together.

b) Annual cohorts are bucketed from at least two years immediately before the transition date for the PAA portfolios.

c) For the GMM portfolios, all policies in a portfolio before the transition date from the earliest incepted policy are bucketed into one cohort.

Comparatives

Changes in accounting policies resulting from the adoption of IFRS 17 are applied retrospectively. The period are restated to present comparative information as if the requirements of IFRS 17 had always been applied.

Impact of Implementation of IFRS 17

The impact of the above implementation has been adjusted in the opening retained earnings as at 1 January 2022 in the financials for the reporting period commencing from 1 January 2023 and will not affect the income statement. The impact is as follows :

Impact in retained earning (Group and Parent)		Gross Insurance Contract liabilities net of Insurance Contract assets	Reinsurance Contract assets net of Reinsurance Contract liabilities	Net Amount
		RO	RO	RO
Changes due to				
Loss Component		3,339,956	(830,089)	4,170,045
Discounting		(517,292)	(149,279)	(368,013)
Risk Adjustment		1,454,762	406,087	1,048,675
Credit default provision		4,190,231	(18,398)	4,208,629
Change in DAC		**133,915**	-	**133,915**
GMM CSM		**5,573,366**	**991,011**	**4,582,355**
GMM LFRC changes		**795,518**	**(145,985)**	**941,503**
Transition impact on adoption of IFRS 17 (Group)	**(A)**	**14,970,456**	**253,347**	**14,717,109**
Tax Impact	(B)			(2,190,271)
Transition impact attributable to shareholders of the Parent on adoption of IFRS 17 net of tax	**(A+B)**			**12,526,838**

4. Summary Of Material Accounting Policies

4.1 Insurance Contracts

4.1.1 Definition & Classification

Insurance contracts are contracts under which the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Group uses judgement to assess whether a contract transfers insurance risk (i.e. if there is a scenario with commercial substance in which the Group has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant.

Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Group to financial risk are classified as investment contracts and follow financial instruments accounting under IFRS 9. The Group does not have these type of contracts as at the reporting date.

The Group issues certain insurance contracts that include investment-related service contracts where the return on the underlying items is shared with policyholders. Underlying investments are part of the Group's investment assets and the Group does not hold distinct investment assets attached to the insurance contracts. The Group uses judgement to assess whether the amounts expected to be paid to the policyholders constitute a substantial share of the fair value returns on the underlying items.

Based on Group's assessment, the Group does not issue Insurance contracts with direct participation features which are viewed as creating an obligation to pay policyholders an amount that is equal to the fair value of the underlying items, less a variable fee for service. Hence measurement model of Variable Fees Approach (VFA) is not applicable to the Group's insurance contracts.

The Group applies GMM for all its Long term life contracts including investment components in Savings and Participating products which comprises policyholder account values (surrender value) less applicable surrender fees.

In the normal course of business, the Group uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

All references to insurance contracts in these consolidated financial statements apply to insurance contracts issued or acquired and reinsurance contracts held unless specifically stated otherwise.

4.1.2 Unit Of Account

The Group manages insurance contracts issued by product lines within an operating segment, where each product line includes contracts that are subject to similar risks. All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into Groups of contracts that are issued within a calendar year (annual cohorts) and are (i) contracts that are onerous at initial recognition; (ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or (iii) a Group of remaining contracts or "Others". These Groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such Groups are not subsequently reconsidered.

For each portfolio of contracts, the Group determines the appropriate level at which reasonable and supportable information is available to assess whether these contracts are onerous at initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous. This level of granularity determines sets of contracts. The Group uses significant judgement to determine at what level of granularity the Group has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same Group without performing an individual contract assessment.

For Life Risk and Savings product lines, sets of contracts usually correspond to policyholder pricing Groups that the Group determined to have similar insurance risk and that are priced within the same insurance rate ranges. The Group monitors the profitability of contracts within portfolios and the likelihood of changes in insurance, financial and other exposures resulting in these contracts becoming onerous at the level of these pricing Groups.

For Medical and General Insurance contracts measured using the PAA, due to the nature of the business, groups are not bucketed as "contracts that at initial recognition have no significant possibility of becoming onerous subsequently". The Group buckets the group of contracts as (i) onerous or (ii) others at initial recognition, based on the projections for the forthcoming year. The allocation as Onerous or Others is done at the beginning of the year and not revised subsequently based on the actual results.

For non-onerous contracts, the Group assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous. Similar to Life Risk and Savings contracts, this assessment is performed at a policyholder pricing Groups level."

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the Grouping requirements to reinsurance contracts held, the Group aggregates reinsurance contracts held concluded within a calendar year (annual cohorts) into Groups of (i) contracts for which there is a net gain at initial recognition, if any; (ii) contracts for which at initial recognition there is no significant possibility of a net gain arising subsequently; and (iii) remaining contracts in the portfolio or "Others", if any.

Reinsurance contracts held are assessed for aggregation requirements on an individual contract basis. The Group tracks internal management information reflecting historical experiences of such contracts' performance. The Group assumes that reinsurance contracts form part of "Others" category at initial recognition, unless facts and circumstances indicate otherwise.

Before the Group accounts for an insurance contract based on the guidance in IFRS 17, it analyses whether the contract contains components that should be separated. IFRS 17 distinguishes three categories of components that have to be accounted for separately:

- cash flows relating to embedded derivatives that are required to be separated;
- cash flows relating to distinct investment components; and
- promises to transfer distinct goods or distinct non-insurance services.

The Group applies IFRS 17 to all components of the contract. The Group does not have any contracts that require further separation or combination of insurance contracts.

4.1.3 Recognition & Derecognition

4.1.3.1 Insurance Contracts Issued

Groups of insurance contracts issued are initially recognised from the earliest of the following:

- the beginning of the coverage period (inception date);
- the date the first premium is due (or date first premium received in absence of contractual due date); and
- when theGroup determines that a group of contracts becomes onerous.

For profitable contracts, the use of the premium due or received date for balance sheet recognition does not have an impact in profit or loss until the beginning of coverage, which is the starting point for recognizing any insurance revenue and expenses. As a result, it is determined that a pragmatic approach to applying the IFRS 17 requirements would be to consider the inception date of coverage or the date of issuance of the contract (whichever is earlier) as the initial recognition date for groups of contracts.

Insurance contracts acquired in a business combination or a portfolio transfer are accounted for as if they were entered into at the date of acquisition or transfer.

4.1.3.2 Reinsurance Contracts Held

The Group cedes insurance risk in the normal course of business for a portion of risk it is insuring. Such reinsurance arrangements provide for greater diversification of business, allows management to control exposure to potential losses arising from large risks, and provide additional capacity for growth. A significant portion of the reinsurance is affected under treaty, facultative and excess of loss reinsurance contracts.

The Group recognizes reinsurance contracts held as follows:

(a) group of non-proportionate reinsurance contracts held, at earlier of

  - at the start of the period of coverage
  - In case of reinsurance arrangement held for underlying onerous contracts, the date of recognising the underlying onerous contract

(b) in the case of proportionate reinsurance, at the later of:

  - the beginning of the coverage period; or
  - the date the first underlying gross insurance contract is recognized.

On the basis that it is reasonable to expect that most proportionate reinsurance contracts will have the first underlying contract incept on the same date as the beginning of the coverage period for the reinsurance contract (or very approximate to this date), the initial recognition point of such reinsurance contracts is taken as their inception date.

The Group does not recognise a Group of quota share reinsurance contracts held until it has recognised at least one of the underlying insurance contracts.

Only contracts that meet the recognition criteria by the end of the reporting period are included in theGroups. When contracts meet the recognition criteria in theGroups after the reporting date,they are added to theGroups in the reporting period in which they meet the recognition criteria,subject to the annual cohorts' restriction. Composition of theGroups is not reassessed in subsequent periods.

4.1.3.3 Accounting For Contract Modification & Derecognition

An insurance contract is derecognised when it is:

- extinguished (i.e. when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified and certain additional criteria are met.

When an insurance contract is modified by theGroup as a result of an agreement with the counterparties or due to a change in regulations, theGroup treats changes in cash flows caused by the modification as changes in estimates of the FCF, unless the conditions for the derecognition of the original contract are met. TheGroup derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:

a. if the modified terms had been included at contract inception and the Group would have concluded that the modified contract:
   i. is not in scope of IFRS 17;
   ii. results in different separable components;
   iii. results in a different contract boundary; or
   iv. belongs to a differentgroup of contracts;
b. the original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or
c. the original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach."

An insurance contract not accounted for under the PAA is derecognised from within a Group of insurance contracts, theGroup:

a. Adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from theGroup.
b. Adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the LFRC of theGroup) in the following manner, depending on the reason for the derecognition:
   i. If the contract is extinguished
   ii. If the contract is transferred to a third party, in the amount of the FCF adjustment in (a) less the premium charged by the third party.
   iii. If the original contract is modified resulting in its derecognition, in the amount of the FCF adjustment in a. adjusted for the premium the Group would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification. When recognising the new contract in this case, the Group assumes such a hypothetical premium as actually received."
c. Adjusts the number of coverage units for the expected remaining coverage to reflect the number of coverage units removed.

When an insurance contract accounted for under the PAA is derecognised, adjustments to the FCF to remove relating rights and obligations and account for the effect of the derecognition result in the following amounts being charged immediately to profit or loss:

a. if the contract is extinguished, any net difference between the derecognised part of the LFRC of the original contract and any other cash flows arising from extinguishment;
b. if the contract is transferred to the third party, any net difference between the derecognised part of the LFRC of the original contract and the premium charged by the third party;
c. if the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LFRC and the hypothetical premium the entity would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

4.1.4 Measurement

4.1.4.1 Fulfilment Cash Flows

Fulfilment Cash Flows Within Contract Boundary

The FCF are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:

a. are based on a probability weighted mean of the full range of possible outcomes;

b. are determined from the perspective of the Group, provided the estimates are consistent with observable market prices for market variables; and

c. reflect conditions existing at the measurement date.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For contracts measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the LIC.

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from theGroups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation.

The Group accounts for the credit risk factor of receivables and related changes under insurance revenuein the measurement ofGroups of insurance contracts issued.

In the measurement of reinsurance contracts held, the probability weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.

TheGroup estimates certain FCF at the portfolio level or higher and then allocates such estimates toGroups of contracts.

TheGroup uses consistent assumptions to measure the estimates of the present value of future cash flows for theGroup of reinsurance contracts held and such estimates for theGroups of underlying insurance contracts.

Contract Boundary

The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of Groups of insurance contracts. This assessment is reviewed every reporting period.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or theGroup has a substantive obligation to provide the policyholder with insurance coverage or other services. A substantive obligation ends when:

a. theGroup has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or

b. both of the following criteria are satisfied:

   i. theGroup has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and

   ii. the pricing of premiums related to coverage to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to theGroup, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender and expense risk, are not included.

Riders, representing add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, that are issued together with the main insurance contracts form part of a single insurance contract with all the cash flows within its boundary.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

ForGroups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of theGroup that exist during the reporting period in which theGroup is compelled to pay amounts to the reinsurer or in which theGroup has a substantive right to receive services from the reinsurer.

TheGroup's quota share life reinsurance agreements held have an unlimited duration but are cancellable for new underlying business with a one-year notice period by either party. Thus, theGroup treats such reinsurance contracts as a series of annual contracts that cover underlying business issued within a year. Estimates of future cash flows arising from all underlying contracts issued and expected to be issued within one-year's boundary are included in each of the reinsurance contracts' measurement.

The excess of loss reinsurance contracts held provides coverage for claims incurred during an accident year. Thus, all cash flows arising from claims incurred and expected to be incurred in the accident year are included in the measurement of the reinsurance contracts held. Some of these contracts may include mandatory or voluntary reinstatement reinsurance premiums, which are guaranteed per the contractual arrangements and are thus within the respective reinsurance contracts' boundaries.

Cash flows that are not directly attributable to a portfolio of insurance contracts, such as some product development and training costs, are recognised in other operating expenses as incurred.

Insurance Acquisition Costs

The Group includes the following acquisition cash flows within the insurance contract boundary that arise from selling, underwriting and starting aGroup of insurance contracts and that are:

(a) costs directly attributable to individual contracts andGroups of contracts; and

(b) costs directly attributable to the portfolio of insurance contracts to which theGroup belongs, which are allocated on a reasonable and consistent basis to measure theGroup of insurance contracts.

Allowances For Claim Liabilities

Some insurance contracts permit the Group to collect excess, depreciation, or sell a (usually damaged) vehicle or a property required in settling a claim (i.e. salvage). The Group may also have the right to pursue third parties for payment of some or all costs (i.e. subrogation). Such allowances for claim liabilities are included in the cashflows.

4.1.5 Measurement Measurement Model

4.1.5.1 Group Of Contracts Measured Under The General Measurement Model (GMM)

The Group writes Long term Life insurance contracts in its Individual life, Individual Credit Life and Group credit life portfolios which are measured under the GMM. Similarly, all reinsurance contracts for these portfolios are also measured under the GMM.

4.1.5.2 Group Of Contracts Measured Under The Premium Allocation Approach (PAA)

The Group elects to measure all insurance and reinsurance contracts under the PAA wherever the eligibility criteria of para 53(a) & (b) has been fulfilled for its portfolios. Insurance Contracts written by the Group and it's non-proportional reinsurance contracts held that have a coverage period of one year or less are automatically eligible for the PAA. Currently insurance contracts such as Group Life, Group Medical, Individual Medical-Oman and non-proportional reinsurance contracts are eligible and thus measured under the PAA. The Group does write some contracts that have a coverage period exceeding one year and proportional reinsurance contracts held which were not automatically eligible. These contracts were part ofthe Personal accident, Individual medical-UAE, Property, Motor (non-fleet), Casualty and Engineering insurance portfolios as well as various proportional reinsurance contracts held. For all such groups of contracts within the portfolio and reinsurance contracts, PAA eligibility test was carried out in which, the LFRC measured under the PAA and the GMM were projected over the lifetime of the contracts, considering different reasonable scenarios, to determine if the differences were significant. The Group has found that for all these contracts the PAA provided a reasonable approximation of the GMM and were thus the PAA measurement model was applied on these contracts.

In case of any changes in the term and conditions of the contracts or introduction of new contract with coverage period of more than one year, the Group will re-perform the PAA eligibility test.

4.1.6 Best Estimate Liability (BEL)

The main cash flows included within the BEL are premiums, claims, directly attributable expenses and an allocation of overheads.

The carrying amount of aGroup of insurance contracts issued at the end of each reporting period is the sum of:

a. the Liability for Remaining Coverage (LFRC); and

b. the Liability for Incurred Claims (LIC), comprising the FCF related to past service allocated to the Group at the reporting date.

The carrying amount of aGroup of reinsurance contracts held at the end of each reporting period is the sum of:

a. the Assets for remaining coverage (AFRC); and

b. the Assets for incurred claims (AIC), comprising the FCF related to past service allocated to the Group at the reporting date.

4.1.6.1 Liability For Remaining Coverage Under GMM

1) LFRC – Statement of financial position

   (i) on initial recognition, the carrying amount of the liability is:

   – Estimates of present value of future cashflows;

   – Add: Risk Adjustment for non-financial risk;

   – Add: Contractual service margin

Under GMM, a group of insurance contracts is measured as the sum of fulfilment cash flows and CSM. After initial recognition of a group of insurance contracts, the carrying amount of the group at each reporting date is the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage comprises of fulfilment cash flows related to future service allocated to the group at that date and the CSM of the group at that date.

(ii) Under GMM, the carrying amount of liability for remaining coverage excluding the CSM, is re-measured at each subsequent reporting date. That is, it comprises the present value of the best estimate of the cash flows required to settle the obligation together with an adjustment for non-financial risk.

An entity should recognise income and expenses for the following changes in the carrying amount of the liability for remaining coverage:

- Insurance revenue – for the reduction in the liability for remaining coverage because of services provided in the period
- Insurance service expenses – for losses on groups of onerous contracts, and reversals of such losses
- Insurance finance income or expenses – for the effect of the time value of money and the effect of financial risk

2) Measurement of Contractual service margin

i) Initial measurement

The CSM is a component of the asset or liability for the group of insurance contracts that represents the unearned profit the entity will recognise as it provides insurance contract services in the future. On initial recognition of a group of insurance contracts, the CSM is measured at the equal and opposite amount of the net inflow that arises from the sum of following:

- The fulfillment cash flows;
- Any cash flows arising from the contracts in the group at that date; and
- The derecognition of any asset recognised for insurance acquisition cash flows and any other asset or liability previously recognised for cash flows related to the group of contracts.

ii) Subsequent measurement

The carrying amount of the CSM of a group of insurance contracts under GMM at the end of each reporting period, comprises the carrying amount at the start of the reporting period adjusted for:

– Effect of new contracts added to the group
– Interest accreted on the CSM during the period measured at the discount rates at initial recognition;
– Changes in the FCF relating to future service, except to the extent

i) Such increases in the fulfilment cash flows exceed the carryIng amount of the CSM, giving rise to a loss; Or

ii) Such decreases in the fulfilment cash flows are allocated to the loss component of the liability for remaining coverage

– The effect of any currency exchange differences arising on the CSM;
– The amount recognised as insurance revenue because of the transfer of insurance contract services in the period, determined by the allocation of the CSM remaining at the end of the reporting period (before any allocation) over the current and remaining coverage period.

ii(a) Effect of new contracts added

The CSM increases if new profitable contracts are added to the group during the reporting period.

ii(b) Interest accretion on CSM

For contracts measured under GMM, interest is accreted on the carrying amount of the CSM during a reporting period using discount rates locked in on initial recognition of a group of contracts.

ii(c) Changes in fulfilment cash flows

The CSM is adjusted for changes during the reporting period in fulfilment cash flows relating to future service which may arise through:

– Experience adjustments (i.e., actual vs. expected amounts) arising from premiums received in the period that relate to future service, and related cash flows such as insurance acquisition cash flows and premium-based taxes, measured at the discount rates applying at the date of initial recognition;
– Changes in estimates of the present value of the future cash flows in the liability for remaining coverage (except for those that relate to the effect of the time value of money and the effect of changes in financial risk) measured at the discount rates applying at the date of initial recognition;
– Differences between actual and expected investment components or loans to a policyholder in the period, whether they are payable or repayable. These are determined by comparing the actual investment component or loan to a policyholder that becomes (re)payable with the (re)payment that was expected at the start of the period plus any insurance finance income and expenses related to that expected (re)payment before it becomes (re)payable; and

- Changes in the risk adjustment for non-financial risk that relate to future service.
- The CSM is not adjusted for the following changes in fulfilment cash flows because they do not relate to future service:
- 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 (These effects comprise the effect, if any, on estimated future cash flows, the effect, if disaggregated, on the risk adjustment for non-financial risk and the effect of a change in discount rate);
- Changes in estimates of fulfilment cash flows in the liability for incurred claims as they relate to current or past services;
- Experience adjustments (i.e., actual vs. expected amounts), except those described above that relate to future services. Generally, experience adjustments relate to past or current service and therefore do not adjust the CSM. However, as an exception, experience adjustments arising from premiums received in the period that relate to future service adjust the CSM.

The terms of some insurance contracts measured under GMM, give an entity discretion over the cash flows to be paid to policyholders. A change in the discretionary cash flows is regarded as relating to future service, and accordingly adjusts the CSM.

3) Currency differences

The CSM of contracts written in a different currency to the insurer's functional currency will be affected by changes in currency exchange rates. Since the Company GMM contracts are written in theCompany's functional currency OMR, the impact on the CSM for the Company is nil.

4) Allocation of CSM to profit or loss

IFRS 17 requires the CSM to be recognised over the coverage period in a pattern that reflects the provision of insurance contract services (comprising insurance coverage, investment-return service and investment-related service) as required by the contract. The CSM for a group of insurance contracts remaining (before any allocation) at the end of the reporting period is allocated over the coverage provided in the current period and expected remaining future coverage, based on coverage units in the group. The number of coverage units in the group is the quantity of insurance contract services provided by the contracts in the group, determined by considering for each contract the quantity of the benefits provided under a contract and its expected coverage period.

For the purpose of amortising the CSM, the period of investment-return service ends at or before the date that all amounts due to current policyholders relating to those services have been paid, without considering payments to future policyholders included in the fulfilment cash flows.

The determination of coverage units involves judgement and estimates to best achieve the principle of reflecting the services provided in each period which:

  - Reflects the likelihood of an insured event occurring to the extent that it affects the expected coverage period of contracts in the group but not the amount expected to be claimed in a period.
  - Reflects the variability across periods in the level of cover provided by the contracts in the group, with the level of cover being the contractual maximum level of cover in each period.

5) For reinsurance contracts held the CSM is released to profit or loss as insurance contract services are received from the reinsurer in the period. The coverage units are defined based on Sum assured of the underlying insurance and reinsurance contracts.

6) Onerous contracts – loss component

When adjustments to the CSM exceed the amount of the CSM, the group of contracts becomes onerous and the Group recognises the excess in insurance service expenses, and it records the excess as a loss component of the LFRC.

When a loss component exists, the Group allocates the following between the loss component and the remaining component of the LFRC for the respective group of contracts, based on the CSM allocation approach described above:

a) Expected incurred claims and other directly attributable expenses for the period;
b) Changes in the RA for the risk expired; and
c) Finance income or expenses from insurance contracts issued.

The amounts of loss component allocation in point a and b above reduce the respective components of insurance revenue and are reflected in insurance service expenses.

Decreases in the FCF in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF in subsequent periods increase the loss component.

7) Reinsurance contracts held

An asset or liability is recorded in the financial position representing premiums due to or payments due from reinsurers and the share of losses recoverable from reinsurers. Amounts receivable from reinsurance is estimated in a manner consistent with the claim liability associated with the insured parties. Reinsurance assets or liabilities are derecognized when the contractual rights are extinguished or expire or when the contract is transferred to another party. Default risk adjustment is also accounted for to provide for the risk of non-performance by reinsurers.

A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised when a loss component is set up for the group of onerous underlying insurance contracts. This amount is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contracts held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

4.1.6.2 Liability For Remaining Coverage Under PAA

The Group calculate LFRC as follows:

1) LFRC – Statement of financial position
   a) on initial recognition, the carrying amount of the liability is:
      – Premiums, if any, received at initial recognition;
      – Less: any insurance acquisition cash flows at that date,
      – Less:any amount arising from the derecognition at that date of any asset of insurance acquisition cash flows
   b) on subsequent measurement, the carrying amount of the liability is:
      – Carrying amount of the liability is the carrying amount at the start of the reporting period
      – Plus: Premium received
      – Less: Revenue for the period (i.e. GWP less Unearned Premium)
      – Less: Cost of Acquisition (COA) paid
      – Add: Amortisation of COA (i.e. COA expense less DAC)
2) LFRC – Statement of profit or loss
   a) on initial recognition
      – GWP less UPR equals insurance revenue
      – Total acquisition costs less DAC equals amortized DAC
   b) on subsequent measurement
      – GWP less change in UPR equals insurance revenue
      – Total acquisition costs less change in DAC equals amortized DAC

Written premiums, unearned premiums and acquisition cost cash flows are determined at the portfolio level and calculated as follows:

- Premium received in the period represents the premiums paid by the policyholders during the period.
- Gross written Premium recognized in the period in which the Group is legally bound through a contract to provide insurance cover.
- Gross UPR representing the premium income receivable under the contract deferred until the revenue is earned throughout the contract.
- Total Acquisition Cash Flows being the direct and indirect costs of obtaining and processing new insurance business.
- Deferred Acquisition Costs amortized over the coverage period

The above methodology for calculating LFRC is complaint under IFRS 17. As per current assessment, the Group has decided not to discount the LFRC for PAA portfolios based on the fact that the effect of financing component is not material for long tail contracts.

The Group issues corporate policies on credit. Under IFRS 17, insurance revenue includes expected premium allocation under PAA and determination of expected value of cash flows. Accordingly, the Group accounts for the credit risk factor of receivables and related changes under insurance revenue.

Estimation of the future cash flows includes determination of the expected value, or probability-weighted mean of the full range of possible outcomes, considering all reasonable and supportable information available at the reporting date without undue cost or effort. The difference between the Premiums recorded and the Premiums received plus expected premium cashflows is considered as the expected credit loss or impairment impact on insurance contracts. Such impairment charges are considered part of insurance revenue rather than recorded as expenses.

3) Onerous contracts – loss component and loss recovery component

If a group of contracts becomes onerous, theGroup increases the carrying amount of the LFRC and the AFRC to the amounts of the FCF determined under the GMM with the amount of such an increase recognised in insurance service expenses and it's reinsurance share respectively. Subsequently, theGroup amortises the amount of the loss component within the LFRC and the loss recovery component in the AFRC. The loss component amortisation is based on the passage of time over the remaining coverage period of contracts within an onerousGroup. If facts and circumstances indicate that the expected profitability of the onerousGroup during the remaining coverage has changed, then theGroup remeasures the FCF by applying the GMM and reflects changes in the FCF by adjusting the loss component and loss recovery component as required until the loss component and loss recovery component are reduced to zero.

4.1.7 Liability For Incurred Claims

The Group calculates the LIC for both GMM and PAA portfolios as follows:

- Best Estimate (BEL) of the fulfilment cash flows relating to incurred claims including outstanding claims, IBNR and IBNER.
- Expenses already incurred but not yet paid in relation to claims and the cost of handling incurred claims at that date.
- Adjustment for the time value of money.
- Risk adjustment for non-financial risks.

4.1.8 Discount Rate

Discounting is a part of the LFRC estimates for GMM portfolios of the Group. For it's PAA portfolios, the Group has not discounted the LFRCas the time between providing each part of the coverage and the related premium due date is expected, at initial recognition, to be less than a year. For some contracts that have a coverage period of more than a year (e.g. Individual Medical), the premiums are paid in advance and therefore discounting might be applicable however, the impact has been assessed and on the grounds of materiality, discounting is not applied.

The Group has applied discounting to LIC for both GMM and PAA portfolios as some of the claims are settled beyond 12 months from the date they are incurred. The Group has also applied discounting to the fulfilment cash flows related to future coverage used in the determination of the onerous loss for the onerous group of contracts.

The Group uses the Bottom-Up approach to determine the required discount rates onyield curve basis.

4.1.9 Risk Adjustment

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows and reflects the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by theGroup to the reinsurer.

Methods and assumptions used to determine the risk adjustment for non-financial risk are discussed in note 5.

The risk adjustment is required when calculating:

- the Liability for Incurred Claims (LIC) under both the PAA and the GMM;
- the Liability for Remaining Coverage (LFRC) under GMM; and
- the loss component for onerous groups under PAA.

The risk adjustment allows for stresses to the best estimate cash flows due to non-financial risk associated with all insurance contracts recognized under IFRS 17 (both inwards business and outwards reinsurance).

4.1.10 Amounts Recognised In Comprehensive Income

4.1.10.1 Insurance Service Result From Insurance Contracts Issued

Insurance Revenue

As the Group provides services under the group of insurance contracts, it reduces the LFRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration the Group expects to be entitled to in exchange for those services.

For contracts not measured under the PAA, insurance revenue comprises the following:

- Amounts relating to the changes in the LFRC:
  a. insurance claims and expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
     - amounts related to the loss component;
     - repayments of investment components;
     - amounts of transaction-based taxes collected in a fiduciary capacity; and
     - insurance acquisition expenses;
  b. changes in the risk adjustment for non-financial risk, excluding:
     - changes included in insurance finance income (expenses);
     - changes that relate to future coverage (which adjust the CSM); and
     - amounts allocated to the loss component;
  c. amounts of the CSM recognised in profit or loss for the services provided in the period; and
  d. experience adjustments arising from premiums received in the period that relate to past and current service and related cash flows such
     - Insurance acquisition cash flows and premium-based taxes.
     - Insurance acquisition cash flows recovery is determined by allocating the portion of premiums related to the recovery of those cash flows on the basis of the passage of time over the expected coverage of a group of contracts.
     - Insurance contract policyholders are charged for policy administration services and other contract fees. Insurance policy fees are considered as part of Insurance revenue and recognized as income over the period of service which is generally the period of the policy.
     - For groups of insurance contracts measured under the PAA, theGroup recognises insurance revenue based on the passage of time over the coverage period of a group of contracts on straight line method.

Insurance Service

Insurance service expenses include the following:

a. incurred claims and benefits excluding investment components;
b. other incurred directly attributable insurance service expenses;
c. amortisation of insurance acquisition cash flows;
d. changes that relate to past service (i.e. changes in the FCF relating to the LIC); and
e. changes that relate to future service (i.e. losses/reversals on onerousGroups of contracts from changes in the loss components).

For contracts not measured under the PAA, amortisation of insurance acquisition cash flows is reflected in insurance service expenses in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue as described above.

For contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time on straight line method.

Other expenses not meeting the above categories are included in other operating expenses in the consolidated statement of profit or loss.

4.1.10.2 Insurance Service Result From Reinsurance Contracts Held

Net Income (Expenses) From Reinsurance Contracts Held

TheGroup presents financial performance ofGroups of reinsurance contracts held segregated between expense and income from reinsurance contracts held, comprising the following amounts:

- Allocation of reinsurance premiums
  a. reinsurance expenses (premiums less commission);
- Amounts recoverable from reinsurers for incurred claims
  b. incurred claims recovery;

c. other incurred directly attributable insurance service expenses;

d. effect of changes in risk of reinsurer non-performance;

e. for contracts measured under the GMM, changes that relate to future service (i.e. changes in the FCF that do not adjust the CSM for the Group of underlying insurance contracts); and

f. changes relating to past service (i.e. adjustments to incurred claims).

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received services at an amount that reflects the portion of ceding premiums the Group expects to pay in exchange for those services.

For contracts not measured under the PAA, reinsurance expenses comprise the following amounts relating to changes in the remaining coverage:

a. insurance claims and other expenses recovery in the period measured at the amounts expected to be incurred at the beginning of the period, excluding repayments of investment components;

b. changes in the risk adjustment for non-financial risk, excluding:

  – changes included in finance income (expenses) from reinsurance contracts held; and

  – changes that relate to future coverage (which adjust the CSM);

c. amounts of the CSM recognised in profit or loss for the services received in the period; and

d. ceded premium experience adjustments relating to past and current service.

For groups of reinsurance contracts held measured under the PAA, the Group recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts on straight line method.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses.

4.1.10.3 Expenses

The majority of costs incurred by the Group are directly attributable to fulfilling insurance contracts and are either identified at an individual contract level, or allocated to a group of insurance contracts in a systematic and rational manner using reasonable and supportable information.

The Group classifies its expenses in three main categories of expenses as required under IFRS 17:

– Insurance acquisition costs: These include costs of selling, underwriting and starting a group of insurance contracts and should be directly attributable to the portfolio of insurance contracts to which the groups belong. The deferred part of these costs relating to contracts issued forms part of the Liability for remaining coverage and the amortization for each reporting period is included within Insurance service expenses.

– Incurred claims and claims handing expenses: These include known and expected (IBNR) claims, legal and loss adjusters' fees, internal costs of investigating claims and processing claims payments as well as salvage and subrogation (to the extent these are not recognized as a separate asset).The presumption is that these costs can easily be identified and allocated to portfolios and groups of insurance contracts that they are directly attributable to. These costs are included within the calculation of the Liability for Incurred Claimsand included within Insurance service expenses.

– Administrative costs: These include general administrative expenses directly attributable to the insurance servicing activity such as costs of billing premiums, handling policy changes and all fixed and variable overheads (e.g. accounting, HR, IT, building depreciation, rentals). These costs will be allocated to portfolios and groups of contracts using methods that are systematic, rational and consistently applied to all costs that have similar characteristics. Under the PAA model, these costs are recognized as incurred on an accruals basis, and expensed directly to the Statement of Profit or Loss as a component of Insurance service expense.

– Specifically excluded costs :

IFRS 17 sets out specific cash flows that should be excluded from the insurance contract measurement. These costs include items such as:

• Abnormal amounts of wasted labour or other resources.

• Costs that are not directly attributable to the portfolio of insurance contracts.

• Investment expenses.

The Group excludes all such costs from insurance contract measurement as required under IFRS 17.

4.1.10.4 Insurance Finance Income Or Expenses

Insurance finance income or expenses comprise the change in the carrying amount of theGroup of insurance contracts arising from:

a. the effect of the time value of money and changes in the time value of money; and

b. the effect of financial risk and changes in financial risk.

For contracts measured under the GMM, the main amounts within insurance finance income or expenses are:

a. interest accreted on the FCF and the CSM;

b. the effect of changes in interest rates and other financial assumptions; and

c. foreign exchange differences arising from contracts denominated in a foreign currency.

For contracts measured under the PAA, the main amounts within insurance finance income or expenses are:

a. interest accreted on the LIC; and

b. the effect of changes in interest rates and other financial assumptions.

TheGroup disaggregates changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

For the contracts measured under the GMM and the PAA, the Group includes all insurance finance income or expenses for the period in profit or loss (i.e. the profit or loss option (the PL option) is applied).

4.2 Basis Of Consolidation & Accounting In Separate Financial Statements

(a) Basis of consolidation

Business Combinations

The consolidated financial statements comprise those of the Parent Company and each of its subsidiaries as at 31 December each year. Subsidiaries are all entities (including special purpose entities) over which the Group exercise control. Control is achieved when the Parent Company.

- has power over the investee;
- is exposed, or has rights, to variable returns from is involvement with the investee; and
- has the ability to use its power to affect the Investee's returns"

The Parent Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Parent Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to relevant facts and circumstance in assessing whether or not the Parent Company's voting rights in an investee are to give it power including:

- The size of the Parent Company's holding of the voting rights relative to the size and dispersion of holding of the other vote holders;
- Potential voting rights held by the parent company, other holders or other parties;
- Rights arising from other contractual arrangements;
- Any facts and circumstances that indicates that the Parent Company has, or does not have, the current ability to direct the relevant activities at the time the decision needs to be made, including voting patterns at previous shareholders meetings.

Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Parent Company gains control until the date when the Parent Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiary is attributed to the owner of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statement of subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting policies. When necessary, adjustments are made to the financial statement of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. The carrying amount of the Group's interest and non-controlling interest are adjusted to reflect the changes in their relative interest in subsidiaries. Any difference between the amount by which the non-controlling interest are adjusted and the fair value of the consideration paid or received directly is equity and attributed to the owners of the Parent Company.

Non-controlling interests in subsidiaries are identified separately from Group's equity therein. The interests of non-controlling interest's shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by- acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity and impairment of intangible assets. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If the Group loses control over a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between:

- The aggregate of the fair value of consideration received and the fair value of any retained interest; and
- The carrying amount of assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in other comprehensive income in relation to subsidiary are accounted for as if the Group has directly disposed of the assets and liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition of an investment as associate or joint venture.

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service

(b) Accounting in separate financial statements

In the Parent Company's separate financial statements, the Company has adopted equity method of accounting for its investment in subsidiaries.

Under the equity method adopted in the separate financial statements of the Parent Company, the investment is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the share of net assets of the subsidiary since the acquisition date in the separate financial statements of the Parent Company. The statement of profit or loss and other comprehensive income in the Parent Company's separate financial statements reflects the share of the results of operations of the subsidiary. Any change in other comprehensive income of those investees is presented as part of the Parent Company's other comprehensive income. In addition, when there has been a change recognized directly in the equity of the subsidiary, the Parent

Company recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Parent Company and the subsidiary are eliminated to the extent of the interest in the subsidiary. The financial statements of the subsidiary are prepared for the same reporting period as the Parent Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Parent Company. After application of the equity method, the Parent Company determines whether it is necessary to recognize an impairment loss on its investment in its subsidiary in its separate financial statements. At each reporting date, the Parent Company determines whether there is objective evidence that the investment in the subsidiary is impaired. If there is such evidence, the Parent Company calculates the amount of impairment as the difference between the recoverable amount of the subsidiary and its carrying value, then recognizes the loss as 'share of results of subsidiary' in profit or loss."

(c) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(d) Non-controlling interests

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(e) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(f) Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

(g) Transactions eliminated on consolidation

Intra Group balances and transactions, and any unrealized income and expenses (except for foreign currency transactions gains or losses) resulting from intra-group transactions are eliminated. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of Group's interest in investee. Unrealized loss are eliminated in the same way as unrealized gains but only to the extent that there is no evidence of impairment.

4.3 Foreign Currency

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

Translation differences on non-monetary financial assets and liabilities such as equities held at FVTPL are recognised in statement of profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as FVOCI are included in other comprehensive income.

As at the reporting date, the assets and liabilities of the foreign subsidiary entity is translated into the functional currency of the consolidated financial statements (the Rial Omani) at the rate of exchange ruling at the reporting date and its profit or loss is translated at the weighted average exchange rates for the year. The exchange differences arising on the translation are taken directly to a foreign currency translation reserve in other comprehensive income. On disposal of foreign operations, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognized in the statement of profit or loss.

4.4 Loans To Policy Holders

Loans to policyholders are stated at cost, less any amounts written off and allowance for impairment, if any.

4.5 Financial Assets

4.5.1 Classification

To determine their classification and measurement category, IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics. The classification of financial assets are:

(a) Financial assets carried at amortised cost;

(b) Financial assets carried at fair value through other comprehensive income (FVOCI); and

(c) Financial assets carried at fair value through profit or loss (FVTPL)

(a) Financial assets at amortised cost:

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

i) The asset is held within a "business model" whose objective is to hold assets to collect contractual cash flows;

(ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and profit (SPPI) on the principal amount outstanding."

The details of these conditions are outlined below. Further, financial assets carried at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Financing income, foreign exchange gains and losses and impairment are recognised in the profit or loss. Any gain or loss on derecognition is recognised in the profit or loss.

(i) Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward

(ii) SPPI test

As a second step of its classification process the Group assesses the contractual terms of financial asset to identify whether they meet the SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of profit within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the profit rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and profit on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

(b) Financial assets at fair value through other comprehensive income (FVOCI):

(i) Debt instruments at FVOCI

The Group applies the category under IFRS 9 of debt instruments measured at FVOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets;
- The contractual terms of the financial asset meet the SPPI test.

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Financing income and foreign exchange gains and losses and impairment losses are recognised in statement of profit or loss. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from equity to profit or loss.

This category only includes debt instruments, which the Group intends to hold for the foreseeable future and which the Group has irrevocably elected to so classify upon initial recognition or transition. The Group classified its debt instruments at FVOCI. Debt instruments at FVOCI are subject to an impairment assessment under IFRS 9.

(ii) Equity instruments at FVOCI

Upon initial recognition, the Group may elect to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument by instrument basis.

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

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

4.5.2 Recognition & Measurement

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value though profit or loss are expensed in the statement of profit or loss.

For debt instruments measured at amortised cost, FVTPL and FVOCI, the interest income, foreign currency gains or losses and impairment gains or losses are recognised in profit and loss. For debt instruments classified as FVTPL, unrealised and realised fair value changes are recognised in profit and loss. For debt instruments measured at FVOCI, the fair value gains or losses are recognised in other comprehensive income until derecognition, when the cumulative gains or losses recognized in Other comprehensive income are reclassified to profit or loss.

The Group subsequently measures all equity investments at fair value. Dividends from such investments are recognised in the statement of profit or loss. The unrealised and realised fair value gains and losses on equity investments that are held for trading are recognized in profit or loss. Where the Group has made an irrevocable election at initial recognition to classify the equity investments through other comprehensive income, the changes in fair value are recognized in other comprehensive income. For all equity investments at FVOCI, there is no subsequent recycling of fair value gains and losses to profit or loss at derecognition.

4.5.3 Impairment Of Financial Assets

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost and debt investments measured at FVOCI.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except in the following cases, for which the amount recognised is 12-month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) for which credit risk has not increased significantly since initial recognition."

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument, whereas 12-month expected credit losses are the portion of expected credit losses that results from default events that are possible within the 12 months after the reporting date. In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

Measurement Of Expected Credit Losses

Expected credit losses are a probability-weighted estimate of credit losses and are measured as follows:

- For financial assets that are not credit-impaired at the reporting date: the present value of all cash shortfalls i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive; and

- For financial assets that are credit-impaired at the reporting date: the difference between the gross carrying amount and the present value of estimated future cash flows."

Credit Impaired Financial Assets

At each reporting date, the Group assesses whether financial assets measured at amortised cost and debt investments at FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset (either partially or in full), the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease is related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed in profit or loss.

Presentation of loss allowances in the statement of financial position:

Loss allowances for expected credit losses are presented as follows:

- financial assets measured at amortised cost: the loss allowance is deducted from the gross carrying amount of the assets; and
- debt investments measured at FVOCI: the loss allowance is recognised in other comprehensive income and does not reduce the carrying amount of the financial asset in the statement of financial position.

4.6 Property & Equipment

Property and equipment including land and building is stated at cost less accumulated depreciation and accumulated impairment losses, if any for below class of assets.

Depreciation is charged to the statement of profit or loss on a straight line basis over the estimated useful lives of the assets as follows on the next page:

	Years
Building	19-45
Motor vehicles	4
Right-of-use assets	3 to 5
Furniture and equipment	4 to 5
Computer equipment	4

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalised only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognised in statement of profit or loss as the expense is incurred.

Any fixed assets costing less than RO 100 are charged to statement of profit or loss in the year of purchase.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount it is written down immediately to its recoverable amount.

Gains and losses on disposals of property and equipment are determined by reference to their carrying amounts, are recognised within 'other operating (loss) / income' and are taken into account in determining operating results for the year."

4.7 Intangible Assets (Including Goodwill)

Goodwill arising on acquisition of subsidiary is measured at cost less accumulated impairment losses.

Intangible asset acquired in a business combination is identified and recognised separately from goodwill where it satisfies the definition of an intangible asset and fair value can be measured reliably. The cost of such intangible asset is its fair value at the acquisition date

Subsequent to initial recognition, intangible asset acquired is recorded at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets acquired separately. The Group does impairment testing of goodwill for which the Group estimates the value in use of the cash-generating units to which the goodwill is allocated. The Group makes an estimate of the expected future cash flows from the cash-generating unit and also chooses a suitable discount rate in order to calculate the present value of those cash flows.

The Group does amortization of intangible assets recognized from the purchase price allocation on acquisition of its subsidiary. The Group has estimated the useful life of 10 to 20 years for these intangible assets and amortizes them over the period estimated.

4.8 Impairment

Non-Financial Assets

At each reporting date, the Group assesses if there is any indication of impairment of non-financial assets. If an indication exists, the Group estimates the recoverable amount of the asset and recognises an impairment loss in the statement of profit or loss. The Group also assesses if there is any indication that an impairment loss recognised in prior years no longer exists or has reduced. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

4.9 Offsetting

Financial assets and financial liabilities are only offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and the Group intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.10 Cash & Cash Equivalents

Cash and cash equivalents consist of cash in hand, bank balances, and short-term deposits with a maturity of three months or less from the date of placement net of outstanding bank overdrafts.

4.11 Provisions

A provision is recognised in the statement of financial position when the Group has a present (legal or constructive) obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of provision can be estimated reliably.

4.12 Employees' End Of Service Benefits

Employees' end of service benefits are accrued in accordance with the terms of employment of the Group's employees at the reporting date, having regard to the requirements of the Oman Labour Law and its amendments,U.A.E. Labour Law - Federal Law No. (8) of 1980 and its amendments, Kingdom of Baharin Labour law no. 36 of 2012 and its amendment, Kingdom of Saudi Arabia royal decree no. M/51 of 2005 and its amendment,Private Sector Kuwait Labor Law i.e. Law No. 6 of the year 2010 and the requirements of IAS-19 'Employee benefits'.

Contributions to a defined contribution retirement plan for Omani employees in accordance with the Omani Social Insurances Law of 1991, for Emirati employees under the UAE Federal Law No. 7 of 1999 for Pension and Social Security (as amended by Federal Law No. 7 of 2007), for Bahraini employees under the labour law No. 36 of 2012, for saudi employees under the Royal Decree No. M/51 of 2005 and for Kuwaiti employees under the Kuwait-Social Security Law No. 61 of 1976 are recognised as an expense in the statement of profit or loss as incurred.

4.13 Other Liabilities

Other liabilities are initially measured at fair value and subsequently carried at amortised cost using the effective interest method. Liabilities are recognised for amounts to be paid for goods or services received, whether or not billed to the Group. Other liabilities are derecognised when the obligation under the liability is discharged, cancelled or expired.

4.14 Income Recognition - Investment Income

Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive dividend is established. For listed securities, this is the date the security is listed as ex dividend.

4.15 Directors' Remuneration

The Directors' remuneration is governed as set out by the Commercial Companies Law and the rules prescribed by the Capital Market Authority and are charged as expense in statement of profit or loss.

4.16 Taxation

Income tax is calculated as per the income tax regulations applicable in the Sultanate of Oman. The foreign operations are incorporated in United Arab Emirates & Bahrain, which are a tax free jurisdiction and in Kuwait & Saudi which have zakat registration.

Income tax on the results for the year comprises current and deferred tax. Income tax is recognised in the statement of profit or loss except to the extent that it relates to items recognised directly to equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the statement of financial position date. Deferred income tax assets and liabilities are offset as there is a legally enforceable right to offset these in Oman.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4.17 Earnings Per Share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.18 Leases

The Group identifies a contract as a lease contract, if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group determines the lease term as the non-cancellable period of a lease, together with both the periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and the periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. When the Group is a lessee, at the commencement date, the Group recognises a right-of-use asset and a lease liability. The right-of-use asset is measured at cost at commencement date. After the commencement date, the Group shall measure the right-of-use asset using the cost model. To apply the cost model, the right-of-use asset shall be measured at cost less any accumulated depreciation and any impairment losses and shall be adjusted for any remeasurement of lease liability. Depreciation shall be charged to the right-of-use asset in accordance with policy for depreciation of property and equipment. The Group determines whether the right-of-use asset is impaired and accounts for any impairment loss identified. For contracts with lease term greater than 12 months, the lease liability is measured at the present value of the lease payments that are not paid as at the reporting date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate. When the Group is a lessor, rental income from operating leases are recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company has elected to avail exemption benefits under IFRS 16 for short term expected effective lease periods (lease term of 12 months or less) and leases for which the underlying assets have low value. In such cases, the Company recognises the lease payments as an expense on either a straight line basis over the lease term or another systematic basis.

4.19 Operating Segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

4.20 Dividend On Ordinary Shares

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Group's shareholders. Interim dividends are deducted from equity when they are approved.

Dividends for the year that are approved after the reporting date are dealt with as an event after the reporting date.

4.21 New Standards & Interpretations Not Yet Adopted

A number of new standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted. However, the Group has not early adopted the new standards in preparing these financial statements.

- Non-current Liabilities with Covenants – Amendments to IAS 1 and Classification of Liabilities as Current or Non-current – Amendments to IAS 1-effective from 01 January 2024
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16-effective from 01 January 2024
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7-effective from 01 January 2024
- Lack of Exchangeability – Amendments to IAS 21 -effective from 01 January 2025
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

5. Critical Accounting Judgment & Key Sources Of Estimation Uncertainty

In the process of applying the Group's accounting policies, which are described in note 4, management has made judgements that have the most significant effect on the amounts recognised in the financial statements and applied certain assumptions, and other key sources of estimation uncertainty at the reporting date as discussed below:

Key Sources Of Estimation Uncertainty

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed on the next page:

5.1 Significant Judgements & Estimates In Applying IFRS 17

5.1.1 Judgements

Areas Of Potential Judgement	Applicable To The Group
Definition and classification - Whether contracts are in the scope of IFRS 17 and, for contracts determined to be in scope of IFRS 17, what measurement model is applicable:	
Whether a contract issued accepts significant insurance risk and, similarly, whether a reinsurance contract held transfers significant insurance risk	Applicable to the Company in determining the classification of contracts issued in Participating product lines as insurance or investment contracts.
Whether a contract issued that does not transfer significant insurance risk meets the definition of an investment contract with DPF.	TheGroup issues investment contracts with participating features. In assessing whether these are in the scope of IFRS 17, the Group assessed if the discretionary amount is a significant amount of the total benefits.
Whether contracts that were determined to be in the scope of IFRS 17 meet the definition of an insurance contract with direct participation features, particularly: a. whether the pool of underlying items is clearly identified; b. whether amounts that an entity expects to pay to the policyholders constitute a substantial share of the fair value returns on the underlying items; and c. whether the Group expects the proportion of any change in the amounts to be paid to the policyholders that vary with the change in fair value of the underlying items to be substantial.	An assessment is performed for universal life contracts and participating contracts issued by theGroup to determine whether the proportion to be paid to the policyholders is substantial. For investment contracts with DPF, the Group applied judgement and concluded that these contracts do not meet the definition of an insurance contract with direct participation features since they do not have feaures such as pool of underlying investments and management charges. Accordingly Variable Fee Approach was not applied to the contracts.
For insurance contracts with a coverage period of more than one year and for which the entity applies the PAA, the eligibility assessment as required by IFRS 17(53)(a),(54),(69) (a),(70) and may involve significant judgement.	PAA applied on Medical and General insurance contracts exceeding one year term and for proportional reinsurance contracts based on results of the PAA eligibility assessment carried out for these contracts. Refer note 4.1.5 for details
Unit of account - Judgements involved in combination of insurance contracts and separation of distinct components	
Combination of insurance contracts - whether the contracts with the same or related counterparty achieve or are designed to achieve an overall commercial effect and require combination. Separation - whether components in IFRS 17(11)-(12) are distinct (i.e. meet the separation criteria). Separation of contracts with multiple insurance coverage - whether there are facts and circumstances where the legal form of an insurance contract does not reflect the substance and separation is required.	No respective judgement is applicable to theGroup.
Unit of account - Insurance contracts aggregation	
Judgements involved in the identification of portfolios of contracts as required by IFRS 17(14) (i.e. having similar risks and being managed together).	Not an area of significant judgement for the Group. TheGroup is a multi-line insurer where each product line is managed independently.

5.1.1 Judgements (Continued)

Aggregation of insurance contracts issued on initial recognition intoGroups of onerous contracts,Groups of contracts with no significant possibility of becoming onerous andGroups of other contracts. SimilarGrouping assessment for reinsurance contracts held. Areas of potential judgements include: a. IFRS 17(17) - the determination of contract sets within portfolios and whether theGroup has reasonable and supportable information to conclude that all contracts within a set would fall into the sameGroup as required by IFRS 17(16); and b. IFRS 17(18)-(19) - judgements may be applied on initial recognition to distinguish between non-onerous contracts (those having no significant possibility of becoming onerous and other contracts).	
For insurance contracts issued measured under the PAA, management judgement might be required to assess whether facts and circumstances indicate that a group of contracts has become onerous. Further, judgement is required to assess whether facts and circumstances indicate any changes in the onerousGroup's profitability and whether any loss component remeasurement is required.	This area of judgement is potentially applicable to theGroup. Certain portfolios were determined to have become onerous in 2022 and 2023 for which Loss Component has been computed as part of the LFRC.
The determination of whether laws or regulations constrain theGroup's practical ability to set a different price or level of benefits for policyholders with different risk profiles so the Group may include such contracts in the sameGroup, disregarding the aggregation requirements set in IFRS 17(14)- (19), is an area of judgement.	The regulatory environment in which the Group operates does not impose any price or other constraints. Thus, no judgement has been applied by theGroup.
Recognition and derecognition - Accounting for contract modification and derecognition	
When contracts are modified, judgement might be applied to establish if the modification meets the criteria for derecognition. In particular, after the modification, judgement is applied to determine whether: a. significant insurance risk still exists; b. there are elements that are to be distinct from the contract; c. contract boundaries have changed; d. the contract would have to be included in a differentGroup subject to aggregation requirements; and e. the contract no longer meets the requirements of the measurement model.	No respective judgement is applicable to theGroup in 2022 and 2023.
Measurement - Fulfilment cash flows	
The concept of a contract boundary is used to determine which future cash flows should be considered in the measurement of a contract in the scope of IFRS 17. Judgements might be involved to determine when theGroup is capable of repricing the entire contract to reflect the reassessed risks, when policyholders are obliged to pay premiums and when premiums reflect risks beyond the coverage period. Where such features as options and guarantees are included in the insurance contracts, judgement may be required to assess the entity's practical ability to reprice the entire contract to determine if related cash flows are within the contract boundary.	No respective judgement is applicable to theGroup.
An entity may use judgement to determine which cash flows within the boundary of insurance contracts are those that relate directly to the fulfilment of the contracts.	TheGroup performs regular expense studies and uses judgement to determine the extent to which fixed and variable overheads are directly attributable to fulfilling insurance contracts. Refer to note 4.1.9.3.
Financial performance	
The determination of what constitutes an investment component might be an area of judgement significantly affecting amounts of recognised insurance revenue and insurance service expenses as investment components should be excluded from those.	No respective judgement is applicable to the Group.

5.1.1 Judgements (Continued)

Insurance revenue and reinsurance expenses - methods and assumptions used in the determination of the CSM to be recognised in profit or loss for the services provided or received in the period. Areas of potential judgement are: a. the determination of the coverage units provided or received in the current period and expected to be provided in future periods, particularly when multiple services are provided under the same insurance contract; b. factoring in the time value of money when determining the equal allocation of the CSM to the coverage units provided or received; and c. the determination of the expected coverage period over which the CSM is allocated into profit or loss for the services provided or received.	TheGroup applied significant judgements in the following aspects of the determination of the CSM amounts that were recognised in profit or loss: a. for long term life portfolios, the Group made a judgement to consider coverage units based on the fixed death benefits amounts (during the insurance coverage period) i.e. Sum assured as the most appropriate. b. for factoring the time value of money the Group has considered the coverage period corresponding to the period in which insurance services are expected to be provided; The above judgements impact the CSM carrying values and amounts of the CSM allocation recognised in profit or loss for the period.
For contracts measured under the GMM in which theGroup has discretion over the cash flows to be paid to the policyholders, judgement might be involved in the determination of what the Group considers its commitment on initial recognition of such contracts. Further, judgement might be required to distinguish subsequent changes in the FCF resulting from changes in theGroup's commitment and those resulting from changes in assumptions that relate to the financial risk on that commitment.	No respective judgement is applicable to theGroup.
For contracts measured under the GMM, the OCI option to disaggregate finance income or expenses between profit or loss and OCI requires assessment of whether amounts payable to the policyholders are significantly affected by assumptions that relate to financial risk, which is a potential area of judgement. Further, if amounts payable are considered to be substantially affected by changes in such assumptions, further guidance is provided on how disaggregation should be performed, which might also involve management judgement.	No respective judgement is applicable to theGroup as it does not apply the OCI option under IFRS 17(88)(b) for contracts measured under the GMM.

After making reasonable efforts to gather necessary historical information, the Group has determined that for certaingroups of contracts, such information was not available or not available in a form that would enable it to be used without undue cost and effort. It was therefore impracticable to apply the full retrospective approach, andthe modified retrospective approach has been used for these groups. The Group applied significant judgement in determining the transition amounts under these approaches.

5.1.2 Judgements In Applying The Modified Retrospective Approach

TheGroup has determined that transactional level data and annual actuarial assumptions are available as far as two years prior to the IFRS 17 transition date for PAA portfolios. For the GMM portfolios, all policies in a portfolio before the transition date from the earliest incepted policy are bucketed into one cohort. The Group has used that threshold to apply the modified retrospective approach to allgroup of contracts in force as at transition date, where the full retrospective approach has not been applied as it was impracticable but the closest possible outcome could have been achieved using reasonable and supportable information. The modified retrospective approach was applied as follows on the next page:

Aggregation of Contracts	Groups of contracts were divided into annual cohorts. Aggregation of insurance contracts by expected profitability was assessed as at the transition date to the extent that reasonable and supportable information was available to perform this assessment as at initial recognition. Incase of reinsurance contracts forgrouping of contracts by profitability, the reinsurance contracts were categorised in the "Others" or remaining category. Refer note 4.1.2. for details
Future cash flows	To the extent that reasonable and supportable information was not available to estimate future cash flows at initial recognition, future cash flows at the date of initial recognition of agroup of insurance contracts were estimated as the future cash flows at the transition date, adjusted by the actual cash flows that have occurred between the transition (or earlier) date and the date of initial recognition. Actual cash flows included cash flows from contracts derecognised before the transition date.
Risk adjustment for non-financial risk	Similar to the cash flow simplification above, the risk adjustment for non-financial risk was estimated at the transition date by adjusting the risk adjustment for non-financial risk at the transition date by the expected release of risk before the transition date. In estimating the release of risk, reference was made to the release of risk for similar insurance contracts that were issued at the transition date.

5.1.2 Judgements In Applying The Modified Retrospective Approach (Continued)

Discount rates	The Group did not apply the modification for discount rates determination as permitted by IFRS 17(C13).
CSM or loss component	For contracts measured under the GMM, the CSM or loss component of the LFRC at the transition date was determined applying modifications in the FCF estimation as described above. The CSM was reduced for the allocation to profit or loss for services provided before the transition date, by comparing the remaining coverage units as at the transition date with the coverage units provided under thegroup of contracts before the transition date. Where the calculated CSM resulted in a loss component, theGroup used the systematic approach described in note 4.1.6.1 to determine amounts allocated to the loss component before the transition date. The CSM was reduced for the allocation to profit or loss for services provided before the transition date, by comparing the remaining coverage units as at the transition date with the coverage units provided under thegroup of contracts before the transition date. Where the calculated CSM resulted in a loss component, theGroup adjusted the loss component to nil and increased the LFRC excluding the loss component by the same amount.

5.1.3 Estimates Of Future Cash Flows To Fulfil Insurance Contracts

Fulfilment cash flows comprise estimates of future cash flows, an adjustment to reflect the time value of money and the financial risks related to future cash flows, to the extent that the financial risks are not included in the estimates of future cash flows, and a risk adjustment for non-financial risk.

Included in the measurement of each group of contracts in the scope of IFRS 17 are all the future cash flows within the boundary of each group of contracts. The estimates of these future cash flows are based on probability weighted expected future cash flows. The Group estimates which cash flows are expected and the probability that they will occur as at the measurement date. In making these expectations, theGroup uses information about past events, current conditions and forecasts of future conditions. TheGroup's estimate of future cash flows is the mean of a range of scenarios that reflect the full range of possible outcomes. Each scenario specifies the amount, timing and probability of cash flows. The probability weighted average of the future cash flows is calculated using a deterministic scenario representing the probability weighted mean of a range of scenarios.

Where estimates of expenses related cash flows are determined at the portfolio level or higher, they are allocated to groups of contracts on a systematic basis such as activity based costing method. The Group has determined that this method results in a systematic and rational allocation. Similar methods are consistently applied to allocate expenses of a similar nature. Acquisition cash flows are typically allocated toGroups of contracts based on gross premiums written.

Expenses of an administrative policy maintenance nature are allocated togroups of contracts based on a combination of activity based costing method and apportioning based on Gross written premium ratios. Directly attributable claims settlement related expenses are allocated to the specific portfolios and common expenses related to claims settlement are allocated to various portfolios based on activity based costing method.

For the Life Risk, Savings and participating contracts, uncertainty in the estimation of future claims and benefit payments and premium receipts arises primarily from the unpredictability of long-term changes in the mortality rates, the variability in the policyholder behavior and uncertainties regarding future interest rates, inflation rates and expenses growth.

For the other contracts, uncertainty in the estimation of future claims and benefit payments arises primarily from the severity and frequency of claims and uncertainties regarding future inflation rates leading to claims and claims-handling expenses growth.

Assumptions used to develop estimates about future cash flows are reassessed at each reporting date and adjusted where required.

Significant methods and assumptions used are discussed below.

5.1.4. Method For GMM Portfolios:

The present value of future cashflows were estimated using a Gross Premium Valuation methodology. This is determined separately for each insurance contract using a prospective gross premium method of valuation. The entire portfolio (on a policy-by-policy level) is projected until its maturity and all cashflows (benefits, gross premiums) are discounted to compute the reserving figure. The projections take into account all prospective contingencies under which any premiums (by the policyholder) or benefits (to the policyholder/beneficiary) may be payable under the policy in accordance with the product specifications. Under IFRS 4, the Group applied the Net premium Valuation method for arriving at the PVFC. The method has now been changed to gross premium valuation methodology for implementation of IFRS 17 and is acceptable based on current regulations.

The Gross (of Reinsurance) PVFCs are calculated asExpected Present Value (EPV) of Benefits less EPV of Premiums while the Reinsurance PVFCs are calculated as EPV of Reinsurance benefits less EPV of Reinsurance Premiums.

In case of negative gross or net reserves at a policy level, the Group does not set the relevant gross or net policy reserve to zero. This is considered to be the best estimate and in line with the IFRS 17 Standard.

The CSM was estimated at initial recognition at a policy level using the total projected fulfilment cashflows. The CSM at subsequent measurement was estimated using the methodology stated in section 4.1.6.1(ii) above.

Coverage units measure per policy were set as the current sum assured as at the valuation date.

Assumptions

5.1.5 Mortality - Life Risk, Savings & Participating Contracts

The mortality rates are derived from mortality table Permanent Assurances, combined – AMC00 and AMF00 Ultimate table for males and females respectively. 117% of the AMC00 & AMF00 table has been used as best estimate mortality for the insured population in Oman. The best estimate derived has been applied based on a mortality experience study of the portfolio on an amount and life basis for all long term life contracts.

Assumptions and methods used to derive mortality assumptions have not changed in 2023. The following mortality assumptions were used:

Long Term Life portfolios (Group)	2023	2022
Best Estimate - Male	117% AMC00 Ultimate	117% AMC00 Ultimate
Best Estimate - Female	117% AMC00 Ultimate	117% AMC00 Ultimate
Prudence Margin	Nil	Nil

A possible increase in mortality rates increases estimates of future cash outflows and thus decreases the CSM. For a sensitivity analysis, refer to note 5.2.1.

5.1.6 Persistency - Life Risk, Savings & Participating Contracts (excluding investment contracts without DPF)

The Group derives assumptions about lapse and surrender rates based on theGroup's own experience. Historical lapse and surrender rates are derived from theGroup's policy administration data. An analysis is then performed of theGroup's historical rates in comparison to the assumptions previously used. Statistical methods are used to derive adjustments to reflect theGroup's own experience and any trends in the data to arrive at the probability weighted expected lapse and surrender rates. Analysis is performed and assumptions are set by major product line.

The following assumptions about lapse and surrender rates were used

Long Term Life portfolios (Group)	2023	2022
Individual Life Contracts	**1.5%**	1.5%
Individual Credit Life Contracts	**2.0%**	2.0%
Group Credit Life Contracts	**10% to 20%**	10% to 20%

A possible increase in lapse rates increases the estimates of future cash outflows and thus decreases the CSM within the LFRC. For a sensitivity analysis, refer to note 5.2.1.

5.1.7 Expenses - Life Risk, Savings & Participating Contracts

The expense assumptions used were set such that the expenses could be fully covered as reflected in the financials. The initial expenses were expressed as a percentage of premium whereas the renewal expenses were expressed as a fixed per policy expense. The expense assumptions are detailed below:

	2023		2022	
Long Term Life portfolios (Group)	Initial Expense (%age Of Premium)	Renewal Expense Fixed(OMR)	Initial Expense	Initial Expense
Individual Life Contracts	**16.0%**	**9**	14.0%	8
Individual Credit Life Contracts	**50.0%**	**2**	31.7%	2
Group Credit Life Contracts	**2.8%**	**2**	2.5%	1

Possible increases in expense assumptions increase estimates of future cash outflows and thus decrease the CSM within the LFRC for contracts measured under the GMM . For a sensitivity analysis, refer to note 5.2.1.

5.1.8 The Ultimate Liability Arising From Claims Made Under Insurance Contracts For PAA Portfolios

The estimation of the ultimate liability arising from claims made under insurance contracts is a key estimate made in measuring liabilities under insurance contracts and especially under group medical, group life and general insurance contracts. There are several sources of uncertainty that need to be considered in the estimate of the liability that the Group will ultimately pay for such claims.

Incurred But Not Reported (IBNR) and Incurred But Not Enough Reported (IBNER) is computed for each portfolio separately. Modelling is performed on a monthly or quarterly origin and monthly or quarterly paid as well as incurred development. Modelling is performed on a gross and net of reinsurance basis. Several methods are employed in the estimation of IBNR and IBNER claims provisions. After applying each of the methods, weighting of the results of methods is done for the gross and net incurred models.

For paid triangulations IBNR and IBNER are estimated by subtracting the sum of paid and outstanding claims by monthly origin from our estimated ultimate claims. For incurred triangulations IBNR and IBNER are estimated by subtracting incurred claims by monthly or quarterly origin from the estimated ultimate claims.

The IBNR and IBNER is calculated asthe ultimate liability arising from claims (which is based on the ultimate loss ratio assumptions) less the reported claims as at the reporting date."

5.1.9 Liability for Remaining Coverage (LFRC)

The fulfilment cashflows related to future service are required when recognized for all GMM portfolios and in case of insurance and reinsurance portfolios under PAA in case of an onerous group, whereby the Liability for Remaining Coverage under the GMM was established in order to derive the onerous loss.

The expected future cash flows relating to future service for GMM portfolios were estimated as follows:

The expected present value offuture benefits and attributable expenses less the expected present value of future premiums

The expected future cash flows relating to future service for PAA portfolios were estimated as follows:

Expected future claims and expenses: Estimated by applying actuarial assumptions of expected combined ratios on an IFRS 17basis to the premiums unearned. These were then transformed into cash flows by applying the appropriate claim payment patterns.

Expected future premium payments: which were based on the premium inputs with a receipt pattern derived for the future premiums. The premium receipt pattern was derived based on historical data.

All cash flows were projected and reported on a quarterly basis within the calculation engine, discounted to present terms. The present value of expected inflows was subtracted from the present value of expected outflows and the total present value of expected cashflows was derived.

The sum of the present value of expected cash flows and the Risk Adjustment (RA) related to future service comprised the fulfilment cashflows for LFRC.

5.1.10 Liability for Incurred Claims (LIC)

The Fulfilment Cashflows for LIC comprise the following:

- Best estimate of Unpaid or Outstanding claims, Incurred but Not Reported and Incurred but Not Enough Reported.
- Expenses already incurred but not yet paid in relation to claims and the cost of handling incurred claims at that date.
- RA for pastcoverage.
- Adjustment for Discounting

The estimates and judgements used for arriving at the Outstanding claims, IBNR, IBNER and ULAE remain the same as described in the financials as at 31 December 2022. TheNon-invasive changes are anticipated to claims reserving under IFRS 17 therefore the current methodology is considered as fit for purpose to assess ultimate loss development and IBNR / IBNER provisions. If changes are required, it is anticipated that these will be minimal.

Key changes to current practice is addition of expenses attributable to claims maintenance and Risk Adjustment to the LIC as well as application ofDiscounting which was developed and applied to LIC within the calculation engine.

5.1.11 Reinsurance Default Adjustment

The reinsurer default adjustment was estimated based on the expected loss given default for the recoverable amounts from the reinsurers for each portfolio. The Group places business only with reinsurers having a minimum rating of "BBB" from Standard & Poor's or "B+" from A. M. Best except regional reinsurers. The following probabilities of default derived from the Solvency II were used for the computation of reinsurance default adjustment.

Group and Parent	2023	2022
AAA	**0.00%**	0.00%
AA	**0.01%**	0.01%
A	**0.05%**	0.05%
BBB	**0.24%**	0.24%

Recovery rate was assumed as 50% (31 December 2022- 50%) for all portfolios. The expected reinsurer credit default adjustment for a portfolio was then calculated as the ratio of the expected loss (computed based on above assumptions) for a given portfolio divided by the total RI share of outstanding claims cashflows and reinsurer's share of IBNR.

5.1.12 Risk Adjustment

The purpose of the Risk Adjustment for non-financial risk is to measure the effect of uncertainty in the cashflows that arise from insurance contracts, other than uncertainty arising from financial risk. The total RA is composed of the RA for LIC plus the RA for LFRC of the Group's GMM portfolios and for the calculation of LFRC of onerous groups of the PAA portfolios.

The Risk adjustment for GMM & PAA portfolios were estimated as follows:

The methodology used for RA is based on a mix of results of Company's own experience variability and the Value at Risk ("VaR") approach in line with Solvency II. The Appointed Actuary calibrated the parameters of the distribution based on the experience and credibility of the historical data. The level of percentile is decided by the Companyas 75th percentile (31 December 2022 – 75%) based on the data and past experience. The diversification benefit for GMM portfolios has been allowed for in the estimation of RA driven by expected correlation matrix as prescribed by Solvency II. While the diversification benefit for PAA portfolios has been allowed for in the estimation of RA driven by the mix of business and the expected correlations between them.

Incase of the Company's subsidiary, for one of it's branches, Al Alamiya-KSA, the Appointed Actuary calibrated the parameters of the distribution based on the experience and credibility of the historical data, with the level of percentile decided as 75th percentile based on the data and past experience. However, for the subsidiary's UAE & Oman branches, the Group Appointed Actuary calibrated the parameters of the distribution and decided the level of percentile as 80th percentile.

The Group has chosen not to disaggregate insurance finance income or expenses into amounts presented in profit or loss and in other comprehensive income.

5.1.13 Discount Rates

The Discount rates for GMM portfolios were estimated as follows:

The risk-free yield curve was derived from the OMIBOR rates as at December 2023, adjusted to reflect the trend of the EIOPA yield curve. The illiquidity premium of 49 bps was then added to this to determine the final yield curve used for the IFRS 17 discounting.

For its GMM portfolios in Oman, the Group has used the following discount rates for its Insurance and Reinsurance portfolios:

Financial period	1 Year	5 Year	10 Year	15 Year	20 Year	30 Year
31-Dec-23	6.52%	5.40%	5.38%	5.44%	5.41%	5.14%
31-Dec-22	5.44%	4.88%	4.61%	4.57%	4.52%	4.96%

The Discount rates for PAA portfolios were estimated as follows:

The Group uses the Bottom-Up approach to determine the required discount rates. The Group has relied on the EIOPA spot yield curves as at the reporting period. In certain portfolios, the Illiquidity Premium of 41 bps was used based on the surrender or lapse rates of the portfolios. The Group also uses volatility adjusted USA risk free rates assuming that the volatility adjustment makes adequate allowance for any illiquidity risk permium. The yield curves are further loaded with country risk premium, based on the country risk premium loadings.

For its PAA portfolios, the Group has used the following discount rates / range of discount rates for its Insurance and Reinsurance portfolios:

	Group and Parent Company			
Financial period	2023		2022	
	1 Year	3 Years	1 Year	3 Years
Oman	6.44%	5.54%-4.92%	4.76%-6.19%	4.23%-4.48%
UAE	5.95%-6.28%	4.91%-4.76%	5.61%-5.50%	5.08%-4.47%
KWT	6.60%	5.7%-5.08%	6.23%	5.87%-5.20%
KSA	6.26%	5.22%	5.98%	5.45%
Bahrain	5.95%	4.91%	5.61%	5.08%

5.2 Sensitivity Analysis To Underwriting Risk Variables

5.2.1 GMM Portfolios: Life Risk, Savings & Participating Contracts

The following tables present information on how reasonably possible changes in assumptions made by the Group with regard to underwriting risk variables impact product line insurance liabilities and profit or loss and equity before and after risk mitigation by reinsurance contracts held. The analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

Sensitivity on Liability and Profit (Group)

	2023				2022			
	CSM In Force	IFRS 17 Profit	Change CSM In Force	Change IFRS 17 Profit	CSM In Force	IFRS 17 Profit	Change CSM In Force	Change IFRS 17 Profit
Base	4,768,989	620,239			4,462,000	343,220		
Mortality Loaded By 15%	4,723,710	603,203	(45,279)	(17,036)	4,413,605	312,434	(48,395)	(30,786)
Mortality Reduced By 20%	4,831,599	640,978	62,609	20,738	4,528,917	380,696	66,917	37,476
	2023				2022			
	CSM In Force	IFRS 17 Profit	Change CSM In Force	Change IFRS 17 Profit	CSM In Force	IFRS 17 Profit	Change CSM In Force	Change IFRS 17 Profit
Expense Loaded By 10% & Inflation + 1%	4,756,002	615,059	(12,988)	(5,181)	4,448,119	333,858	(13,881)	(9,362)
Lapse Loaded By 50%	4,415,843	815,733	(353,146)	195,494	4,084,558	696,501	(377,443)	353,280
Lapse Reduced By 50%	5,231,298	420,056	462,308	(200,183)	4,956,116	(18,535)	494,115	(361,755)
Mass Lapse Of 40%	4,348,846	1,504,969	(420,144)	884,729	4,012,950	1,942,031	(449,050)	1,598,811
Mortality + 0.15% In Year 1	4,704,790	595,240	(64,199)	(24,999)	4,393,384	298,044	(68,616)	(45,177)
Yield Curve + 1%	4,770,346	728,810	1,356	108,571	4,463,450	539,420	1,450	196,200
Yield Curve - 1%	4,767,540	503,984	(1,449)	(116,256)	4,460,452	133,132	(1,549)	(210,088)
Risk Adjustment Loaded By 10%	4,763,825	618,145	(5,164)	(2,094)	4,456,480	339,436	(5,520)	(3,784)
Risk Adjustment Loaded By 10%	4,763,825	618,145	(5,164)	(2,094)	4,456,480	339,436	(5,520)	(3,784)

5.2.2 PAA Portfolios: Short Term Life, Medical & General Insurance Contracts

The following table presents information on how reasonably possible changes in assumptions made by the Group with regard to underwriting risk variables impacts theinsurance liabilities, profit or loss and equity of the Short term Life, Medical and General insurance contracts before and after risk mitigation by reinsurance contracts held. These contracts are measured under the PAA and, thus, only the LIC component and Loss component of insurance liabilities is sensitive to possible changes in underwriting risk variables.

		Group				Parent Company			
		2023		2022		2023		2022	
Interest rate Sensitivity	Change in interest rate	Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Insurance and reinsurance contracts	+100 BPS	**(45,844)**	-	(2,979)	-	**(8,345)**	-	(9,382)	-
Insurance and reinsurance contracts	-100 BPS	**46,491**	-	2,110	-	**8,252**	-	10,072	-

The analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. No changes were made by the Group in the methods and assumptions used in preparing the above analysis.

6(a). Cash & Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
Balances with banks	**54,019,269**	47,901,407	**11,306,524**	19,619,962
Cash in hand	**42,467**	54,299	**1,991**	41,559
Cash and cash equivalents	**54,061,736**	47,955,706	**11,308,515**	19,661,521
Less: ECL on cash and bank balances	**(58,441)**	(29,864)	**(22,797)**	(29,864)
Cash and cash equivalents – net of ECL	**54,003,295**	47,925,842	**11,285,718**	**19,631,657**

(i) Included in balances with banks are balances of RO 49,551,363(2022: RO 38,855,376) with commercial banks in Oman, India and GCC Countries, which are denominated in US Dollars and various GCC currencies, and do not carry interest.

(ii) The ECL amounted to RO 58,441 (2022: RO 29,864) as at 31 December 2023 resulting in ECL charge on group cash and bank balances of RO 28,577 (2022: RO 7,927) for the year ended 31 December 2023.

6(b). Term Loans

Term loans	Group and Parent Company	
	2023	2022
	RO	RO
Short term loan	**13,200,000**	14,500,000
Long term loan	**58,506,010**	62,593,974
Total	**71,706,010**	77,093,974
Movement in Term Loans	**Group & Parent Company**	
	2023	2022
	RO	RO
At the beginning of the year	**77,093,974**	7,500,000
Proceeds from loans and borrowings	**-**	70,560,600
Amortised Processing Fees for Long Term Loan	**250,418**	-
Unamortised Processing Fees for Long Term Loan	**(716,208)**	(966,626)
Repayment of loans and borrowings	**(4,922,174)**	-
At the end of the year	**71,706,010**	77,093,974

Short Term Loan

During the 2023, the Group availed short term loans from commercial banks. As at 31 December 2023, short term loan of RO 13,200,000 (2022: RO 14,500,000) for a period of 60 days was outstanding . The finance cost for availing short term loans was at floating market rate of interest. Rate of interest for the short term loans outstanding as at 31 December 2023 was 5.50% to 6.75% (2022 – 5.50% to 6.75%).

During the 2022, the Group availed long term loans from commercial banks of RO 63,560,600 for a period of 7 years. As at 31December 2023, long term loan of RO 58,506,010 (2022: RO 62,593,974) was outstanding. The finance cost for availing long term loans was at floating market rate of interest. Rate of interest for the long term loans outstanding as at 31 December 2023 was 5% (2022: 5%). After two years from the date of first drawdown, the interest rate will be reset as 1-year fixed deposit rate (RO)+ 2.00% p.a., Thereafter on each anniversary, interest rate will be reset basedon 1 year Fixed Deposit rate. The current rate is1 Year Fixed deposit rate(RO) +2.00% p.a.

The maturity profile of Long terms loans net of unamortised processing fees and including interest payable is as follows:

	Group & Parent Company	
	2023	2022
	RO	RO
Due within one year	**26,339,044**	21,738,655
Due in more than one year	**54,027,725**	67,166,769
	80,366,769	88,905,424

7. Bank Deposits

	Group		Parent Company	
Bank deposits	2023	2022	2023	2022
	RO	RO	RO	RO
Deposits	**122,938,827**	147,483,808	**19,196,267**	42,238,185
Less: ECL on bank deposits	**(185,673)**	(94,668)	**(22,912)**	(94,668)
	122,753,154	147,389,140	**19,173,355**	42,143,517

1) Deposits are held with commercial banks in the Sultanate of Oman, Kuwait and United Arab Emirates, denominated in Rial Omani of RO 55,897,962 (2022: RO 60,693,097), UAE Dirhams of RO 23,773,117 (2022: RO 29,128,522), Kuwaiti dinar of RO 3,216,850 (2022: RO 3,216,850), Saudi Riyal of RO38,779,048 (2022: RO 53,223,001) and Bahraini Dinar of RO 1,271,850 (2022: RO 1,222,337) and carry effective annual interest rates ranging between 1.00% to 6.20% per annum (2022: ranging between 1.00% to 6.10% per annum).

2) The ECL amounted to RO 185,673 (2022: RO 94,668) as at 31 December 2023 resulting in ECL charge on bank deposits balances of RO 91,005 (2022: RO 12,137) for the year ended 31 December 2023.

3) The maturities of deposits at the reporting date are as follows:

	Group Deposits		Parent Company Deposits	
	2023	2022	2023	2022
Over three months but less than or equal to one year from the date of placement	**70,517,526**	70,517,526	-	-
One year or more from the date of placement	**52,421,301**	76,966,282	**19,196,267**	42,238,185
	122,938,827	147,483,808	**19,196,267**	42,238,185

8(a). Investment In Securities

	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
Investments carried at FVTPL	**29,600,128**	846,764	**310,406**	276,746
Investments carried at amortised cost	**58,146,262**	57,075,298	**192,427**	11,176,713
Investment carried at FVOCI	**35,921,742**	49,070,232	**27,114,527**	44,922,547
	123,668,132	106,992,294	**27,617,360**	56,376,006

8(a). Investment In Securities (Continued)

(i) Investments carried at FVTPL

Investments carried at FVTPL	Group			
	2023		2022	
	Market value	Cost	Market value	Cost
	RO	RO	RO	RO
Local				
Quoted				
Banking and Investment	**28,674,742**	**27,847,206**	76,812	35,864
	28,674,742	**27,847,206**	76,812	35,864

Investments carried at FVTPL	Group			
	2023		2022	
	Market value	Cost	Market value	Cost
	RO	RO	RO	RO
Foreign				
Quoted				
Foreign Shares and Funds	**925,386**	**781,937**	769,952	706,457
	925,386	**781,937**	769,952	706,457
Total	**29,600,128**	**28,629,143**	846,764	742,321

Investments carried at FVTPL	Parent Company			
	2023	2022		
	Market value	Cost	Market value	Cost
	RO	RO	RO	RO
Foreign				
Quoted				
Foreign Shares and Funds	**310,406**	**270,086**	276,746	270,086
	310,406	**270,086**	276,746	270,086

(i) Movement in investments carried at FVTPL :

	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
At the beginning of the year	**846,764**	1,363,031	**276,746**	1,363,031
Acquired through acquisition of subsidiary	-	360,464	-	-
Purchases during the year	**31,504,131**	545,847	-	338,585
Sold during the year	**(3,750,000)**	(1,131,276)	-	(1,131,276)
Realised gain / (loss) on disposal (note 28)	**5,000**	(296,861)	-	(296,861)
Fair value changes (note 28)	**994,233**	5,559	**33,660**	3,267
At the end of the year	**29,600,128**	846,764	**310,406**	276,746

8(a). Investment In Securities (Continued)

Investments carried at FVTPL includes substantially debt securities.

(ii) Investments carried at amortised cost

Investments carried at amortised cost	Interest rate	Group	
		2023	2022
		RO	RO
Bonds		**58,182,339**	57,106,392
Less: Expected credit losses on Investments carried at amortised cost	**(2023: 1.50% to 7.50%p.a.)** (2022: 1.50% to 6.75%p.a.)	**(36,077)**	(31,094)
		58,146,262	57,075,298
Investments carried at amortised cost	**Interest rate**	**Parent Company**	
		2023	**2022**
		RO	**RO**
Bonds		**192,428**	11,207,807
Less: Expected credit losses on Investments carried at amortised cost	(2023: 3.60% to 6.84%p.a.) (2022: 4.00% to 6.75%p.a.)	**(1)**	(31,094)
		192,427	11,176,713

(iii) Movement in investments carried at amortised cost:

	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
At the beginning of the year	**57,075,298**	11,197,834	**11,176,713**	11,197,834
Acquired through acquisition of subsidiary	**-**	43,732,342	**-**	-
Portfolio transfer of assets and liabilities net of ECL	**-**	-	**(8,805,714)**	-
Impact on reclassification of investments on acquisition of a subsidiary	**-**	2,255,251	**-**	-
Purchases during the year	**18,560,110**	-	**-**	-
Matured during the year	**(17,240,485)**	(88,500)	**(2,163,835)**	-
Amortisation during the year	**(243,678)**	(19,362)	**(15,640)**	(18,854)
Movement in Expected credit losses	**(4,983)**	(2,267)	**903**	(2,267)
At the end of the year	**58,146,262**	57,075,298	**192,427**	11,176,713

The ECL amounted to RO 36,077 (2022: RO 31,094) as at 31 December 2023 resulting in ECL charge on investments carried at amortised cost of RO 4,983 (2022 – charge of RO 2,267) for the year ended 31 December 2023.

(iv) Investment carried at fair value through other comprehensive income

Investment carried at fair value through other comprehensive income	Group			
	2023		2022	
	Market value	Cost	Market value	Cost
	RO	RO	RO	RO
Local				
Unquoted	**71,429**	**71,429**	71,429	71,429
Quoted	**4,640,559**	**2,400,690**	32,678,683	33,349,022
	4,711,988	**2,472,119**	32,750,112	33,420,451
Foreign				
Unquoted	**4,076,175**	**640,005**	4,157,638	919,684
Quoted	**27,133,579**	**25,652,722**	12,162,482	11,408,548
	31,209,754	**26,292,727**	16,320,120	12,328,232
Local and Foreign	**35,921,742**	**28,764,846**	49,070,232	45,748,683

8(a). Investment In Securities (Continued)

Investment carried at fair value through other comprehensive income	Parent Company			
	2023		2022	
	Market value	Cost	Market value	Cost
	RO	RO	RO	RO
Local				
Quoted	**1,493,489**	**1,833,673**	32,678,683	33,349,022
	1,493,489	**1,833,673**	32,678,683	33,349,022
Foreign				
Unquoted	-	**442,500**	81,382	722,179
Quoted	**25,621,038**	**24,160,651**	12,162,482	11,408,548
	25,621,038	**24,603,151**	12,243,864	12,130,727
Local and Foreign	**27,114,527**	**26,436,824**	44,922,547	45,479,749

(i) Movement in investments carried at FVOCI:

	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
At the beginning of the year	**49,070,232**	38,110,950	**44,922,547**	38,110,950
Acquired through acquisition of subsidiary	-	1,617,572	-	-
Portfolio transfer of assets and liabilities	-	-	**(1,489,954)**	-
Additions during the year	**22,735,948**	9,925,465	**19,424,720**	9,925,465
Disposals during the year	**(37,106,812)**	(2,508,340)	**(37,106,812)**	(2,508,236)
Realised loss on disposal of Bonds (note 28)	**(184,949)**	-	**(184,949)**	-
Fair value change (includes amortised amount)	**1,407,323**	1,924,585	**1,548,975**	(605,632)
At the end of the year	**35,921,742**	49,070,232	**27,114,527**	44,922,547

Acquired through acquisition of subsidiary includes fair value movement through other comprehensive income of RO 1,348,638 relating to the reclassification of investments carried at FVOCI to investments carried at amortised cost.

The Group does not hold any investment in which its holdings exceed 10% of the market value of its investment portfolio at 31 December 2023 and 31 December 2022.

The ECL amounted to RO 23,581 (2022: RO 48,812) as at 31 December 2023 resulting in ECL charge on investments carried at FVOCI of RO 4,833 (2022: charge on RO 22,197) for the year ended 31 December 2023. Out of the quoted investments, RO 30,204,412 (2022: RO 37,832,330) pertains to debt securities and RO 1,569,726 (2022: RO 7,008,835) pertains to equity securities. Unquoted investments includes substantially equity investments.

8(b). Investment In Subsidiaries

			Parent Company			
			2023		2022	
		Country of Incorporation	Holding %	Carrying value RO	Holding %	Carrying value RO
(i)	NLGIC support services Pvt. Ltd. (NSSPL)	**India**	**100**	**462,865**	100	382,737
(ii)	Inayah TPA LLC	**UAE**	**100**	**692,278**	100	657,401
(iii)	Liva Insurance BSC (C)	**Bahrain**	**100**	**106,028,145**	100	102,648,526
(iv)	Liva Insurance SAOC	**Oman**	**62.5**	**38,332,746**	47.5	22,135,000
				145,516,034		125,823,664

Movement in investments in subsidiaries:	Parent Company	
	2023	2022
	RO	RO
At 1 January	**125,823,664**	949,759
Share of profits of subsidiaries	**10,251,896**	1,976,623
Additions on acquisition of subsidiary	-	118,927,682
Additional investment in subsidiary on portfolio transfer of assets and liabilities	**15,168,826**	-
Movement in other comprehensive income	**(485,619)**	3,993,084
Movement in other reserves	**(11,103)**	-
Dividend from subsidiaries	**(5,227,500)**	-
Exchange differences on translation of foreign operations	**(4,130)**	(23,484)
At the end of the year	**145,516,034**	125,823,664

(i) The Parent Company has a fully owned subsidiary in India since 2016. NSSPL is engaged in the business of services and undertake activities relating to back office and support services for transaction processing for the Group.

(ii) In 2017 the Parent Company initially acquired a 49% shareholding in Inayah TPA LLC, a third party administrationcompany in UAE and accounted it as an associate. The parent company acquired control over Inayah TPA LLC by entering into an arrangement to gain beneficial ownership of the balance 51% shareholding of the company. Management has concluded that the Parent Company controls Inayah TPA LLC. The Group controls an entity when its exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity.

(iii) On 7 July 2022, the Company has completed the purchase of 50.00002% shareholding in Royal & Sun Alliance Insurance (Middle East) (RSA ME) now known as "Liva Insurance BSC (c) from Sun Alliance Insurance Overseas LTD (SAIO), a fully owned entity of Royal & Sun Alliance Insurance Limited now known as "Liva Insurance BSC (c). The remaining shares in RSA ME owned by Saudi shareholders, was exchanged with the company shares by way of private placement. As a result, RSA ME is now a wholly owned subsidiary of the company. The company issued 133,374,342 new shares through private placement after obtaining relevant approvals.

(iv) On 29 December 2022, the Company initially acquired minority shares of 47.5% of "Liva Insurance SAOC" formerly Al Ahlia Insurance Co. SAOG (Al Ahlia), a subsidiary of "Liva Insurance BSC (c)" in Bahrain previously known as Royal & Sun Alliance Insurance (Middle East) (RSA ME)), after obtaining relevant approvals.On 31 December 2023, the Company further invested RO 15.2 mn as a part of integration between the company and Liva Insurance SAOC towards transfer of assets and liabilities resulting into increase of ownership from 47.5% to 62.5% of Liva insurance SAOC after obtaining relevant approvals. The remaining 37.5% stake is held by Liva Insurance BSC (c), a wholly-owned subsidiary of Liva Group SAOG. Management has concluded that the Parent Company controls Liva Insurance SAOCbased on 100% ownership on the subsidiary of "Liva Insurance BSC (c)" in Bahrain rebranded from "Royal & Sun Alliance Insurance (Middle East) (RSA ME)". The Group controls an entity when its exposed to, or has rights to, variable returns from its involvement with the entity and possesses the power to influence those returns through its control over the entity.

9. Insurance Contract Assets & Liabilities

	Group							
	2023							
	RO							
	Liabilities for remaining coverage - PAA		Liabilities for remaining coverage - GMM		LIC for Contracts under GMM	LIC for Contracts under PAA		Total
	Excluding losscomponent	Loss component	Excluding loss component	Loss component	Estimates of present value of future cashflows	Estimates of present value of future cashflows	Risk Adjustment	
Insurance contract liabilities as at 01 January 2023	48,448,832	4,194,997	12,546,195	38,446	1,998,582	81,509,486	3,536,638	152,273,176
Insurance contract assets as at 01 January 2023	(8,265,412)	1,245,166	-	-	-	6,549,931	218,526	(251,789)
Net insurance contract (assets)/liabilities as at 01 January 2023	**40,183,420**	**5,440,163**	**12,546,195**	**38,446**	**1,998,582**	**88,059,417**	**3,755,164**	**152,021,387**
Insurance revenue	(307,702,312)	-	(3,054,431)	-	-	-	-	(310,756,743)
Insurance service expenses	54,996,639	(2,051,538)	(502,732)	(14,093)	2,292,737	224,138,233	347,988	279,207,234
Incurred claims and other expenses	-	-	-	(22,743)	2,487,007	320,668,041	6,771,061	329,903,366
Amortisation of insurance acquisition cash flows	54,996,639	-	9,036	-	-	-	-	55,005,675
Reversals of losses on onerous contracts	-	(4,053,176)	-	-	-	-	-	(4,053,176)
Losses on onerous contracts	-	2,001,638	-	8,650	-	231,929	(12,447)	2,229,770
Changes to liabilities for incurred claims	-	-	-	-	(706,038)	(96,761,737)	(6,410,626)	(103,878,401)
Investment components	-	-	(511,768)	-	511,768	-	-	-
Insurance service result before reinsurance contracts held	**(252,705,673)**	**(2,051,538)**	**(3,557,163)**	**(14,093)**	**2,292,737**	**224,138,233**	**347,988**	**(31,549,509)**
Insurance finance expenses	**-**	**-**	**462,836**	**1,504**	**13,897**	**2,747,132**	**184,333**	**3,409,702**
Total changes in the statement of profit or loss and OCI	**(252,705,673)**	**(2,051,538)**	**(3,094,327)**	**(12,589)**	**2,306,634**	**226,885,365**	**532,321**	**(28,139,807)**
Cash flows								
Premiums received	295,911,544	-	1,764,382	-	-	-	-	297,675,926
Claims and other expenses paid	-	-	-	(1)	(1,734,879)	(220,235,254)	-	(221,970,134)
Insurance acquisition cash flows	(51,202,554)	-	(103,006)	-	-	-	-	(51,305,560)
Total cash flows	**244,708,990**	**-**	**1,661,376**	**(1)**	**(1,734,879)**	**(220,235,254)**	**-**	**24,400,232**
Other movements	**-**	**-**	**-**	**-**	**-**	**(576,500)**	**-**	**(576,500)**
Net insurance contract (assets)/liabilities as at 31 December 2023	**32,186,737**	**3,388,625**	**11,113,244**	**25,856**	**2,570,337**	**94,133,028**	**4,287,485**	**147,705,312**
Insurance contract liabilities as at 31 December 2023	33,514,140	3,388,622	11,113,244	25,856	2,570,337	93,759,488	4,223,321	148,595,008
Insurance contract assets as at 31 December 2023	(1,327,403)	3	-	-	-	373,540	64,164	(889,696)
Net insurance contract (assets)/liabilities as at 31 December 2023	**32,186,737**	**3,388,625**	**11,113,244**	**25,856**	**2,570,337**	**94,133,028**	**4,287,485**	**147,705,312**

9. Insurance Contract Assets & Liabilities (Continued)

	Parent Company							
	2023							
	RO							
	Liabilities for remaining coverage - PAA		Liabilities for remaining coverage - GMM		LIC for Contracts under GMM	LIC for Contracts under PAA		Total
	Excluding loss component	Loss component	Excluding loss component	Loss component	Estimates of present value of future cashflows	Estimates of present value of future cashflows	Risk Adjustment	
Insurance contract liabilities as at 01 January 2023	21,932,571	3,093,864	12,546,195	38,446	1,998,582	36,184,319	1,181,555	76,975,532
Insurance contract assets as at 01 January 2023	(7,882,065)	1,245,166	-	-	-	6,356,637	207,152	(73,110)
Net insurance contract (assets)/liabilities as at 01 January 2023	**14,050,506**	**4,339,030**	**12,546,195**	**38,446**	**1,998,582**	**42,540,956**	**1,388,707**	**76,902,422**
Portfolio transfer of assets and liabilities	**8,432,622**	**(2,195,135)**	**(11,616,432)**	**(42,942)**	**(2,465,816)**	**(31,039,109)**	**(1,053,028)**	**(39,979,840)**
Insurance revenue	(156,914,020)	-	(2,127,807)	-	-	-	-	(159,041,827)
Insurance service expenses	20,373,901	(1,611,346)	(368,858)	3,283	1,648,309	138,511,412	818,133	159,374,834
Incurred claims and other expenses	-	-	-	(17,256)	1,761,386	186,776,127	3,930,741	192,450,998
Amortisation of insurance acquisition cash flows	20,373,901	-	5,252	-	-	-	-	20,379,153
Reversals of losses on onerous contracts	-	(4,053,176)	-	-	-	-	-	(4,053,176)
Losses on onerous contracts	-	2,441,830	-	20,539	-	-	-	2,462,369
Changes to liabilities for incurred claims	-	-	-	-	(487,187)	(48,264,715)	(3,112,608)	(51,864,510)
Investment components	-	-	(374,110)	-	374,110	-	-	-
Insurance service result before reinsurance contracts held	**(136,540,119)**	**(1,611,346)**	**(2,496,665)**	**3,283**	**1,648,309**	**138,511,412**	**818,133**	**333,007**
Insurance finance expenses	**-**	**-**	**286,001**	**1,214**	**12,580**	**1,086,108**	**65,998**	**1,451,901**
Total changes in the statement of profit or loss and OCI	**(136,540,119)**	**(1,611,346)**	**(2,210,664)**	**4,497**	**1,660,889**	**139,597,520**	**884,131**	**1,784,908**
Cash flows								
Premiums received	144,965,697	-	1,357,201	-	-	-	-	146,322,898
Claims and other expenses paid	-	-	-	(1)	(1,193,655)	(131,056,762)	-	(132,250,418)
Insurance acquisition cash flows	(19,247,531)	-	(76,300)	-	-	-	-	(19,323,831)
Total cash flows	**125,718,166**	**-**	**1,280,901**	**(1)**	**(1,193,655)**	**(131,056,762)**	**-**	**(5,251,351)**
Other movements	**-**	**-**	**-**	**-**	**-**	**(576,500)**	**-**	**(576,500)**
Net insurance contract (assets)/liabilities as at 31 December 2023	**11,661,175**	**532,549**	**-**	**-**	**-**	**19,466,105**	**1,219,810**	**32,879,639**
Insurance contract liabilities as at 31 December 2023	11,661,175	532,549	-	-	-	19,466,105	1,219,810	32,879,639
Insurance contract assets as at 31 December 2023	-	-	-	-	-	-	-	-
Net insurance contract (assets)/liabilities as at 31 December 2023	**11,661,175**	**532,549**	**-**	**-**	**-**	**19,466,105**	**1,219,810**	**32,879,639**

9. Insurance Contract Assets & Liabilities (Continued)

	Group							
	2022							
	RO							
	Liabilities for remaining coverage - PAA		Liabilities for remaining coverage - GMM		LIC for Contracts under GMM	LIC for Contracts under PAA		Total
	Excluding loss component	Loss component	Excluding loss component	Loss component	Estimates of present value of future cashflows	Estimates of present value of future cashflows	Risk Adjustment	
Insurance contract liabilities as at 01 January 2022	12,729,604	3,353,792	15,429,126	-	1,580,763	33,999,789	1,372,481	68,465,555
Insurance contract assets as at 01 January 2022	(373,593)	32	-	-	-	190,339	7,694	(175,528)
Net insurance contract (assets)/liabilities as at 01 January 2022	**12,356,011**	**3,353,824**	**15,429,126**	**-**	**1,580,763**	**34,190,128**	**1,380,175**	**68,290,027**
Acquired through acquisition of subsidiary	**16,306,859**	**2,120,540**	**-**	**-**	**-**	**40,131,164**	**2,799,802**	**61,358,365**
Insurance revenue	(214,201,751)	-	(2,777,309)	-	-	-	-	(216,979,060)
Insurance service expenses	32,884,622	(34,201)	(893,575)	38,443	2,502,955	170,327,814	(480,672)	204,345,386
Incurred claims and other expenses	-	-	-	(56)	2,812,986	174,631,355	2,013,203	179,457,488
Amortisation of insurance acquisition cash flows	32,884,622	-	2,310	-	-	-	-	32,886,932
Reversals of losses on onerous contracts	-	(2,688,457)	-	-	-	-	-	(2,688,457)
Losses on onerous contracts	-	2,654,256	-	38,499	-	-	-	2,692,755
Changes to liabilities for incurred claims	-	-	-	-	(1,205,916)	(4,303,541)	(2,493,875)	(8,003,332)
Investment components	-	-	(895,885)	-	895,885	-	-	-
Insurance service result before reinsurance contracts held	**(181,317,129)**	**(34,201)**	**(3,670,884)**	**38,443**	**2,502,955**	**170,327,814**	**(480,672)**	**(12,633,674)**
Insurance finance expenses	**-**	**-**	**506,702**	**3**	**7,869**	**510,876**	**55,859**	**1,081,309**
Total changes in the statement of profit or loss and OCI	**(181,317,129)**	**(34,201)**	**(3,164,182)**	**38,446**	**2,510,824**	**170,838,690**	**(424,813)**	**(11,552,365)**
Cash flows								
Premiums received	227,069,009	-	376,183	-	-	-	-	227,445,192
Claims and other expenses paid	-	-	-	-	(2,093,005)	(155,783,092)	-	(157,876,097)
Insurance acquisition cash flows	(34,231,330)	-	(94,932)	-	-	-	-	(34,326,262)
Total cash flows	**192,837,679**	**-**	**281,251**	**-**	**(2,093,005)**	**(155,783,092)**	**-**	**35,242,833**
Other movements	**-**	**-**				**(1,317,473)**	**-**	**(1,317,473)**
Net insurance contract (assets)/liabilities as at 31 December 2022	**40,183,420**	**5,440,163**	**12,546,195**	**38,446**	**1,998,582**	**88,059,417**	**3,755,164**	**152,021,387**
Insurance contract liabilities as at 31 December 2022	48,448,832	4,194,997	12,546,195	38,446	1,998,582	81,509,486	3,536,638	152,273,176
Insurance contract assets as at 31 December 2022	(8,265,412)	1,245,166	-	-	-	6,549,931	218,526	(251,789)
Net insurance contract (assets)/liabilities as at 31 December 2022	**40,183,420**	**5,440,163**	**12,546,195**	**38,446**	**1,998,582**	**88,059,417**	**3,755,164**	**152,021,387**

9. Insurance Contract Assets & Liabilities (Continued)

	Parent Company							
	2022							
	RO							
	Liabilities for remaining coverage - PAA		Liabilities for remaining coverage - GMM		LIC for Contracts under GMM	LIC for Contracts under PAA		Total
	Excluding loss component	Loss component	Excluding loss component	Loss component	Estimates of present value of future cashflows	Estimates of present value of future cashflows	Risk Adjustment	
Insurance contract liabilities as at 01 January 2022	12,729,604	3,353,792	15,429,126	-	1,580,763	33,999,789	1,372,481	68,465,555
Insurance contract assets as at 01 January 2022	(373,593)	32	-	-	-	190,339	7,694	(175,528)
Net insurance contract (assets)/liabilities as at 01 January 2022	**12,356,011**	**3,353,824**	**15,429,126**	**-**	**1,580,763**	**34,190,128**	**1,380,175**	**68,290,027**
Insurance revenue	(155,923,809)	-	(2,777,309)	-	-	-	-	(158,701,118)
Insurance service expenses	18,358,294	985,206	(893,575)	38,443	2,502,955	133,618,743	(25,574)	154,584,492
Incurred claims and other expenses	-	-	-	(56)	2,812,986	140,625,221	1,970,736	145,408,887
Amortisation of insurance acquisition cash flows	18,358,294	-	2,310	-	-	-	-	18,360,604
Reversals of losses on onerous contracts						-	(3,241,277)	-
Losses on onerous contracts	-	4,226,483	-	38,499	-	-	-	4,264,982
Changes to liabilities for incurred claims	-	-	-	-	(1,205,916)	(7,006,478)	(1,996,310)	(10,208,704)
Investment components	-	-	(895,885)	-	895,885	-	-	-
Insurance service result before reinsurance contracts held	**(137,565,515)**	**985,206**	**(3,670,884)**	**38,443**	**2,502,955**	**133,618,743**	**(25,574)**	**(4,116,626)**
Insurance finance expenses	**-**	**-**	**506,702**	**3**	**7,869**	**280,214**	**34,106**	**828,894**
Total changes in the statement of profit or loss and OCI	**(137,565,515)**	**985,206**	**(3,164,182)**	**38,446**	**2,510,824**	**133,898,957**	**8,532**	**(3,287,732)**
Cash flows								
Premiums received	158,944,011	-	376,183	-	-	-	-	159,320,194
Claims and other expenses paid		-	-	-	-	(2,093,005)	(124,828,608)	-
Insurance acquisition cash flows	(19,684,001)	-	(94,932)	-	-	-	-	(19,778,933)
Total cash flows	**139,260,010**	**-**	**281,251**	**-**	**(2,093,005)**	**(124,828,608)**	**-**	**12,619,648**
Other movements	**-**	**-**	**-**	**-**	**-**	**(719,521)**	**-**	**(719,521)**
Net insurance contract (assets)/liabilities as at 31 December 2022	**14,050,506**	**4,339,030**	**12,546,195**	**38,446**	**1,998,582**	**42,540,956**	**1,388,707**	**76,902,422**
Insurance contract liabilities as at 31 December 2022	21,932,571	3,093,864	12,546,195	38,446	1,998,582	36,184,319	1,181,555	76,975,532
Insurance contract assets as at 31 December 2022	(7,882,065)	1,245,166	-	-	-	6,356,637	207,152	(73,110)
Net insurance contract (assets)/liabilities as at 31 December 2022	**14,050,506**	**4,339,030**	**12,546,195**	**38,446**	**1,998,582**	**42,540,956**	**1,388,707**	**76,902,422**

10. Additional Notes For GMM

10.1 Reconciliation of the measurement components of insurance contract balances - applicable to contracts measured under the GMM only as follows:

	Group			
	2023			
	RO			
	Present value of future cash flows	Risk adjustment for non- financial risk	CSM	Total
Insurance contracts issued				
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	8,819,320	492,866	5,271,037	14,583,223
Net balance as at 01 January	**8,819,320**	**492,866**	**5,271,037**	**14,583,223**
CSM recognised in profit or loss for the services provided	**-**	**-**	**(2,316,336)**	**(2,316,336)**
Change in the risk adjustment for nonfinancial risk for the risk expired	**-**	**(109,073)**	**-**	**(109,073)**
Experience adjustments – relating to insurance service expenses	**598,038**	**-**	**-**	**598,038**
Changes that relate to current service	**598,038**	**(109,073)**	**(2,316,336)**	**(1,827,371)**
Changes in estimates that adjust the CSM	44,759	(181,613)	136,854	-
Changes in estimates that result in onerous contract losses or reversal of losses	86	(354)	-	(268)
Experience adjustments – arising from premiums received in the period that relate to future service	(2,351,852)	(20,053)	2,336,114	(35,791)
Contracts initially recognised in the period	(28,681)	5,297	25,585	2,201
Changes that relate to future services	**(2,335,688)**	**(196,723)**	**2,498,553**	**(33,858)**
Changes that relate to past service –				
Changes in the FCF relating to the LIC	560,211	22,499	-	582,710
Changes that relate to past service	**560,211**	**22,499**	**-**	**582,710**
Insurance service result	**(1,177,440)**	**(283,297)**	**182,218**	**(1,278,519)**
Finance expenses from insurance contracts issued	201,081	27,028	250,128	478,237
Total amounts recognised in comprehensive income	**(976,359)**	**(256,269)**	**432,346**	**(800,282)**
Cash flows				
Premiums received	1,764,378	-	-	1,764,378
Claims and other directly attributable expenses paid	(1,734,876)	-	-	(1,734,876)
Insurance acquisition cash flows paid	(103,006)	-	-	(103,006)
Total cash flows	**(73,504)**	**-**	**-**	**(73,504)**
Net balance as at 31 December	**7,769,457**	**236,597**	**5,703,383**	**13,709,437**
Closing insurance contract assets	-	-	-	-
Closing insurance contract liabilities	**7,769,457**	**236,597**	**5,703,383**	**13,709,437**

10. Additional Notes For GMM (Continued)

	Parent Company			
	2023			
	RO			
	Present value of future cash flows	Risk adjustment for non- financial risk	CSM	Total
Insurance contracts issued				
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	8,819,320	492,866	5,271,037	14,583,223
Net balance as at 01 January	**8,819,320**	**492,866**	**5,271,037**	**14,583,223**
Portfolio Transfer of Assets & Liabilities	**(8,330,403)**	**(244,091)**	**(5,550,696)**	**(14,125,190)**
CSM recognised in profit or loss for the services provided		-	(1,617,449)	(1,617,449)
Change in the risk adjustment for nonfinancial risk for the risk expired	-	(78,057)	-	(78,057)
Experience adjustments – relating to insurance service expenses	336,240	-	-	336,240
Changes that relate to current service	**336,240**	**(78,057)**	**(1,617,449)**	**(1,359,266)**
Experience adjustments – arising from premiums received in the period that relate to future service	(1,464,209)	(210,749)	1,708,725	33,767
Contracts initially recognised in the period	(5,342)	1,331	4,931	920
Changes that relate to future services	**(1,469,551)**	**(209,418)**	**1,713,656**	**34,687**
Changes that relate to past service –				
Changes in the FCF relating to the LIC	460,765	18,741	-	479,506
Changes that relate to past service	**460,765**	**18,741**	**-**	**479,506**
Insurance service result	**(672,546)**	**(268,734)**	**96,207**	**(845,073)**
Finance expenses from insurance contracts issued	96,383	19,959	183,452	299,794
Total amounts recognised in comprehensive income	**(576,163)**	**(248,775)**	**279,659**	**(545,279)**
Cash flows				
Premiums received	1,357,199	-	-	1,357,199
Claims and other directly attributable expenses paid	(1,193,653)	-	-	(1,193,653)
Insurance acquisition cash flows paid	(76,300)	-	-	(76,300)
Total cash flows	**87,246**	**-**	**-**	**87,246**
Net balance as at 31 December	**-**	**-**	**-**	**-**
Closing insurance contract assets	-	-	-	-
Closing insurance contract liabilities	-	-	-	-

10. Additional Notes For GMM (Continued)

	Group and Parent Company			
	2022			
	RO			
	Present value of future cash flows	Risk adjustment for non- financial risk	CSM	Total
Insurance contracts issued				
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	10,850,088	586,435	5,573,366	17,009,889
Net balance as at 01 January	**10,850,088**	**586,435**	**5,573,366**	**17,009,889**
CSM recognised in profit or loss for the services provided	-	-	(1,964,992)	(1,964,992)
Change in the risk adjustment for nonfinancial risk for the risk expired	-	(135,797)	-	(135,797)
Experience adjustments – relating to insurance service expenses	475,607	-	-	475,607
Changes that relate to current service	**475,607**	**(135,797)**	**(1,964,992)**	**(1,625,182)**
Experience adjustments – arising from premiums received in the period that relate to future service	(1,340,541)	928	1,408,751	69,138
Contracts initially recognised in the period	(19,220)	2,873	16,845	498
Changes that relate to future services	**(1,359,761)**	**3,801**	**1,425,596**	**69,636**
Changes that relate to past service –				
Changes in the FCF relating to the LIC	408,576	17,483	-	426,059
Changes that relate to past service	**408,576**	**17,483**	-	**426,059**
Insurance service result	**(475,578)**	**(114,514)**	**(539,395)**	**(1,129,487)**
Finance expenses from insurance contracts issued	256,563	20,944	237,066	514,573
Total amounts recognised in comprehensive income	**(219,015)**	**(93,570)**	**(302,329)**	**(614,914)**
Cash flows				
Premiums received	376,185	-	-	376,185
Claims and other directly attributable expenses paid	(2,093,005)	-	-	(2,093,005)
Insurance acquisition cash flows paid	(94,932)	-	-	(94,932)
Total cash flows	**(1,811,752)**	-	-	**(1,811,752)**
Net balance as at 31 December	**8,819,321**	**492,865**	**5,271,037**	**14,583,223**
Closing insurance contract assets	-	-	-	-
Closing insurance contract liabilities	8,819,320	492,866	5,271,037	14,583,223

10.2 Impact Of Contracts Recognised In The Year Ended

	Group		
	2023		
	RO		
	Non-onerous contracts originated	Onerous contracts originated	Total
Insurance contracts issued			
Estimates of the present value of future cash outflows			
Insurance acquisition cash flows	27,940	7,419	35,359
Claims and other directly attributable expenses	53,608	16,969	70,577
Total estimates of the present value of future cash outflows	**81,548**	**24,388**	**105,936**
Estimates of the present value of future cash inflows	(111,211)	(23,406)	(134,617)
Contracts initially recognised in the year	(29,663)	982	(28,681)
Risk adjustment for non-financial risk	4,078	1,219	5,297
CSM	25,585	-	25,585
Increase in insurance contract liabilities from contracts recognised in the year	-	**2,201**	**2,201**

	Parent Company		
	2023		
	RO		
	Non-onerous contracts originated	Onerous contracts originated	Total
Insurance contracts issued			
Estimates of the present value of future cash outflows			
Insurance acquisition cash flows	7,384	2,788	10,172
Claims and other directly attributable expenses	12,438	6,469	18,907
Total estimates of the present value of future cash outflows	**19,822**	**9,257**	**29,079**
Estimates of the present value of future cash inflows	(25,625)	(8,796)	(34,421)
Contracts initially recognised in the year	**(5,803)**	**461**	**(5,342)**
Risk adjustment for non-financial risk	872	459	1,331
CSM	4,931	-	4,931
Increase in insurance contract liabilities from contracts recognised in the year	-	**920**	**920**

	Group & Parent Company		
	2023		
	RO		
	Non-onerous contracts originated	Onerous contracts originated	Total
Insurance contracts issued			
Estimates of the present value of future cash outflows			
Insurance acquisition cash flows	20,523	1,712	22,235
Claims and other directly attributable expenses	31,310	3,913	35,223
Total estimates of the present value of future cash outflows	**51,833**	**5,625**	**57,458**
Estimates of the present value of future cash inflows	(71,270)	(5,408)	(76,678)
Contracts initially recognised in the year	**(19,437)**	**217**	**(19,220)**
Risk adjustment for non-financial risk	2,592	281	2,873
CSM	16,845	-	16,845
Increase in insurance contract liabilities from contracts recognised in the year	-	**498**	**498**

11. Reinsurance Contract Assets & Liabilities

	Group							
	2023							
	RO							
	Assets for remaining coverage - PAA		Assets for remaining coverage - GMM		Amounts recoverable on incurred under GMM	Amounts recoverable on incurred claims under PAA		Total
	Excluding loss-recovery component	Loss-recovery component	Excluding loss-recovery component	Loss-recovery component	Estimates of present value of future cashflows	Estimates of present value offuture cashflows	Risk Adjustment	
Reinsurance contract assets as at 01 January 2023	(10,041,652)	179,221	962,428	1,488,484	2,092,922	28,440,567	1,083,720	24,205,690
Reinsurance contract liabilities as at 01 January 2023	(11,068,045)	395,841	(12,915)	-	8,842	4,576,687	176,165	(5,923,425)
Net reinsurance contract assets/(liabilities) as at 01 January 2023	**(21,109,697)**	**575,062**	**949,513**	**1,488,484**	**2,101,764**	**33,017,254**	**1,259,885**	**18,282,265**
An allocation of reinsurance premiums	(50,121,654)	-	(1,237,981)	-	-	-	-	(51,359,635)
Amounts recoverable from reinsurers for incurred claims	-	(291,209)	(6,239)	17,779	972,710	28,300,039	(140,109)	28,852,971
Amounts recoverable for incurred claims and other expenses	-	-	-	(385)	1,044,001	51,677,473	1,346,463	54,067,552
Reinsurer's share of reversals of losses on onerous contracts	-	(524,012)	-	-	-	-	-	(524,012)
Reinsurer's share of losses on onerous contracts	-	232,803	(6,239)	18,164	-	-	-	244,728
Changes to amounts recoverable for incurred claims	-	-	-	-	(71,291)	(23,415,148)	(1,486,572)	(24,973,011)
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	37,714	-	37,714
Net income or (expense) from reinsurance contracts held	**(50,121,654)**	**(291,209)**	**(1,244,220)**	**17,779**	**972,710**	**28,300,039**	**(140,109)**	**(22,506,664)**
Reinsurance finance income	**-**	**-**	**107,396**	**83**	**8,717**	**1,013,981**	**61,499**	**1,191,676**
Total changes in the statement of comprehensive income	**(50,121,654)**	**(291,209)**	**(1,136,824)**	**17,862**	**981,427**	**29,314,020**	**(78,610)**	**(21,314,988)**
Cash flows								
Premiums paid	32,408,508	-	464,075	-	-	-	-	32,872,583
Amounts received	-	-	-	1	(381,542)	(13,985,008)	-	(14,366,549)
Total cash flows	32,408,508	-	464,075	1	(381,542)	(13,985,008)	-	18,506,034
Other movements	-	-	-	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at 31 December 2023	**(38,822,843)**	**283,853**	**276,764**	**1,506,347**	**2,701,649**	**48,346,266**	**1,181,275**	**15,473,311**
Reinsurance contract assets as at 31 December 2023	(8,064,057)	155,132	276,764	1,506,347	2,701,649	31,256,016	841,120	28,672,971
Reinsurance contract liabilities as at31 December 2023	(30,758,786)	128,721	-	-	-	17,090,250	340,155	(13,199,660)
Net reinsurance contract assets/(liabilities) as at 31 December 2023	**(38,822,843)**	**283,853**	**276,764**	**1,506,347**	**2,701,649**	**48,346,266**	**1,181,275**	**15,473,311**

11. Reinsurance Contract Assets & Liabilities (Continued)

	Parent Company							
	2023							
	RO							
	Assets for remaining coverage - PAA		Assets for remaining coverage - GMM		Amounts recoverable on incurred under GMM	Amounts recoverable on incurred claims under PAA		Total
	Excluding loss-recovery component	Loss-recovery component	Excluding loss-recovery component	Loss-recovery component	Estimates of present value of future cashflows	Estimates of present value of future cashflows	Risk Adjustment	
Reinsurance contract assets as at 01 January 2023	(3,720,592)	179,221	962,428	1,488,484	2,092,922	7,887,376	217,919	9,107,758
Reinsurance contract liabilities as at 01 January 2023	(4,236,817)	395,841	(12,915)	-	8,842	3,207,376	137,528	(500,145)
Net reinsurance contract assets/(liabilities) as at 01 January 2023	**(7,957,409)**	**575,062**	**949,513**	**1,488,484**	**2,101,764**	**11,094,752**	**355,447**	**8,607,613**
Portfolio transfer of assets and liabilities	**2,768,349**	**(114,110)**	**(479,460)**	**(1,488,485)**	**(2,468,357)**	**(3,263,798)**	**(169,560)**	**(5,215,421)**
An allocation of reinsurance premiums	(26,573,431)	-	(993,671)	-	-	-	-	(27,567,102)
Amounts recoverable from reinsurers for incurred claims	-	(284,843)	(3,316)	(31)	740,202	25,367,490	146,242	25,965,744
Amounts recoverable for incurred claims and other expenses	-	-	-	(155)	823,514	39,343,605	896,301	41,063,265
Reinsurer's share of reversals of losses on onerous contracts	-	(524,012)	-	-	-	-	-	(524,012)
Reinsurer's share of losses on onerous contracts	-	239,169	(3,316)	124	-	-	-	235,977
Changes to amounts recoverable for incurred claims	-	-	-	-	(83,312)	(13,985,199)	(750,059)	(14,818,570)
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	9,084	-	9,084
Net income or (expense) from reinsurance contracts held	(26,573,431)	(284,843)	(996,987)	(31)	740,202	25,367,490	146,242	(1,601,358)
Reinsurance finance income	-	-	**64,089**	**31**	**7,933**	**269,862**	**16,423**	**358,338**
Total changes in the statement of comprehensive income	**(26,573,431)**	**(284,843)**	**(932,898)**	-	**748,135**	**25,637,352**	**162,665**	**(1,243,020)**
Cash flows								
Premiums paid	7,353,584	-	462,845	-	-	-	-	7,816,429
Amounts received	-	-	-	1	(381,542)	(8,846,364)	-	(9,227,905)
Total cash flows	**7,353,584**	-	**462,845**	**1**	**(381,542)**	**(8,846,364)**	-	**(1,411,476)**
Other movements	-	-	-	-	-	-	-	-
Net reinsurance contract assets/(liabilities) as at 31 December 2023	**(24,408,907)**	**176,109**	-	-	-	**24,621,942**	**348,552**	**737,696**
Reinsurance contract assets as at 31 December 2023	(6,191,223)	49,786	-	-	-	7,742,271	115,371	1,716,205
Reinsurance contract liabilities as at31 December 2023	(18,217,684)	126,323	-	-	-	16,879,671	233,181	(978,509)
Net reinsurance contract assets/(liabilities) as at 31 December 2023	**(24,408,907)**	**176,109**	-	-	-	**24,621,942**	**348,552**	**737,696**

11. Reinsurance Contract Assets & Liabilities (Continued)

	Group							
	2022							
	RO							
	Assets For Remaining Coverage - PAA		Assets For Remaining Coverage - GMM		Amounts Recoverable On Incurred Under GMM	Amounts Recoverable On Incurred Under PAA Claims		Total
	Excluding Loss-Recovery Component	Loss-Recovery Component	Excluding Loss-Recovery Component	Loss-Recovery Component	Estimates Of Present Value Of Future Cashflows	Estimates Of Present Value Of Future Cashflows	Risk Adjustment	
Reinsurance contract assets as at 01 January 2022	(3,162,022)	16,322	1,006,563	1,488,485	2,474,566	9,387,338	248,812	11,460,064
Reinsurance contract liabilities as at 01 January 2022	(3,060,372)	116,935	-	-	-	2,213,692	109,082	(620,663)
Net reinsurance contract assets/(liabilities) as at 01 January 2022	**(6,222,394)**	**133,257**	**1,006,563**	**1,488,485**	**2,474,566**	**11,601,030**	**357,894**	**10,839,401**
Acquired through acquisition of subsidiary	(9,190,742)	-	-	-	-	18,132,822	1,245,123	10,187,203
An allocation of reinsurance premiums	(32,009,013)	-	(1,381,843)	-	-	-	-	(33,390,856)
Amounts recoverable from reinsurers for incurred claims	-	441,805	(37,812)	(35)	995,082	25,199,266	(361,692)	26,236,614
Amounts recoverable for incurred claims and other expenses	-	-	-	(274)	1,364,794	24,288,412	307,607	25,960,539
Reinsurer's share of reversals of losses on onerous contracts	-	(90,790)	-	-	-	-	-	(90,790)
Reinsurer's share of losses on onerous contracts	-	532,595	(37,812)	239	-	-	-	495,022
Changes to amounts recoverable for incurred claims	-	-	-	-	(369,712)	883,809	(669,299)	(155,202)
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	27,045	-	27,045
Net income or (expense) from reinsurance contracts held	**(32,009,013)**	**441,805**	**(1,419,655)**	**(35)**	**995,082**	**25,199,266**	**(361,692)**	**(7,154,242)**
Reinsurance finance income	-	-	116,658	34	5,084	237,363	18,560	377,699
Total changes in the statement of comprehensive income	**(32,009,013)**	**441,805**	**(1,302,997)**	**(1)**	**1,000,166**	**25,436,629**	**(343,132)**	**(6,776,543)**
Cash Flows								
Premiums paid	26,312,452	-	1,245,947	-	-	-	-	27,558,399
Amounts received	-	-	-	-	(1,372,968)	(22,153,227)	-	(23,526,195)
Total cash flows	**26,312,452**	**-**	**1,245,947**	**-**	**(1,372,968)**	**(22,153,227)**	**-**	**4,032,204**
Net reinsurance contract assets/(liabilities) as at 31 December 2022	**(21,109,697)**	**575,062**	**949,513**	**1,488,484**	**2,101,764**	**33,017,254**	**1,259,885**	**18,282,265**
Reinsurance contract assets as at 31 December 2022	(10,041,652)	179,221	962,428	1,488,484	2,092,922	28,440,567	1,083,720	24,205,690
Reinsurance contract liabilities as at 31 December 2022	(11,068,045)	395,841	(12,915)	-	8,842	4,576,687	176,165	(5,923,425)
Net reinsurance contract assets/(liabilities) as at 31 December 2022	**(21,109,697)**	**575,062**	**949,513**	**1,488,484**	**2,101,764**	**33,017,254**	**1,259,885**	**18,282,265**

11. Reinsurance Contract Assets & Liabilities (Continued)

	Parent Company							
	2022							
	RO							
	Assets for remaining coverage - PAA		Assets for remaining coverage - GMM		Amounts recoverable on incurred under GMM	Amounts recoverable on incurred under PAA claims		Total
	Excluding Loss-Recovery Component	Loss-Recovery Component	Excluding Loss-Recovery Component	Loss-Recovery Component	Estimates Of Present Value Of Future Cashflows	Estimates Of Present Value Of Future Cashflows	Risk Adjustment	
Reinsurance contract assets as at 01 January 2022	(3,162,022)	16,322	1,006,563	1,488,485	2,474,566	9,387,338	248,812	11,460,064
Reinsurance contract liabilities as at 01 January 2022	(3,060,372)	116,935	-	-	-	2,213,692	109,082	(620,663)
Net reinsurance contract assets/(liabilities) as at 01 January 2022	**(6,222,394)**	**133,257**	**1,006,563**	**1,488,485**	**2,474,566**	**11,601,030**	**357,894**	**10,839,401**
An allocation of reinsurance premiums	(20,065,917)	-	(1,381,843)	-	-	-	-	(21,447,760)
Amounts recoverable from reinsurers for incurred claims	-	441,805	(37,812)	(35)	995,082	19,288,129	(11,553)	20,675,616
Amounts recoverable for incurred claims and other expenses	-	-	-	**(274)**	**1,364,794**	**21,361,036**	**475,968**	**23,201,524**
Reinsurer's share of reversals of losses on onerous contracts	-	(90,790)	-	-	-	-	-	(90,790)
Reinsurer's share of losses on onerous contracts	-	532,595	(37,812)	239	-	-	-	495,022
Changes to amounts recoverable for incurred claims	-	-	-	-	(369,712)	(2,080,045)	(487,521)	(2,937,278)
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	7,138	-	7,138
Net income or (expense) from reinsurance contracts held	**(20,065,917)**	**441,805**	**(1,419,655)**	**(35)**	**995,082**	**19,288,129**	**(11,553)**	**(772,144)**
Reinsurance finance income	-	-	116,658	34	5,084	94,230	9,106	225,112
Total changes in the statement of comprehensive income	(20,065,917)	441,805	(1,302,997)	(1)	1,000,166	19,382,359	(2,447)	(547,032)
Cash Flows								
Premiums paid	18,330,902	-	1,245,947	-	-	-	-	19,576,849
Amounts received	-	-	-	-	**(1,372,968)**	**(19,888,637)**	-	**(21,261,605)**
Total cash flows	**18,330,902**	-	**1,245,947**	-	**(1,372,968)**	**(19,888,637)**	-	**(1,684,756)**
Net reinsurance contract assets/(liabilities) as at 31 December 2022	(7,957,409)	575,062	949,513	1,488,484	2,101,764	11,094,752	355,447	8,607,613
Reinsurance contract assets as at 31 December 2022	(3,720,592)	179,221	962,428	1,488,484	2,092,922	7,887,376	217,919	9,107,758
Reinsurance contract liabilities as at 31 December 2022	(4,236,817)	395,841	(12,915)	-	8,842	3,207,376	137,528	(500,145)
Net reinsurance contract assets/(liabilities) as at 31 December 2022	**(7,957,409)**	**575,062**	**949,513**	**1,488,484**	**2,101,764**	**11,094,752**	**355,447**	**8,607,613**

12. Additional Notes For GMM

12.1 Reconciliation of the measurement components of reinsurance contract balances - applicable to contracts measured under the GMM only as follows:

	Group			
	2023			
	RO			
	Present Value Of Future Cash Flows	Risk Adjustment For Non-Financial Risk	CSM	Total
Reinsurance contracts issued				
Opening reinsurance contract assets	3,587,462	175,318	781,054	4,543,834
Opening reinsurancecontract liabilities	(32,205)	149	27,983	(4,073)
Net balance as at 01 January	**3,555,257**	**175,467**	**809,037**	**4,539,761**
CSM recognised in profit or loss for the services provided	-	-	**(303,339)**	**(303,339)**
Change in the risk adjustment for nonfinancial risk for the risk expired	-	(33,117)	-	(33,117)
Experience adjustments – relating to				
incurred claims and other directly attributable expenses recovery	(520,370)	-	-	(520,370)
Changes that relate to current service	**(520,370)**	**(33,117)**	**(303,339)**	**(856,826)**
Changes in estimates that adjust the CSM	-	(50,924)	50,924	-
Changes in estimates that do not adjust the CSM	-	(433)	-	(433)
Contracts initially recognised in the period	(30,935)	2,832	29,953	1,850
Experience adjustments – arising from ceded premiums paid in the period that relate to future service	(296,471)	1,337	305,642	10,508
Changes that relate to future services	**(327,406)**	**(47,188)**	**386,519**	**11,925**
Changes that relate to past service –				
Changes in the FCF relating to incurred claims recovery	579,406	11,764	-	591,170
Changes that relate to past service	**579,406**	**11,764**	-	**591,170**
Net expenses / (income) from reinsurance contracts held	**(268,370)**	**(68,541)**	**83,180**	**(253,731)**
Finance expenses from reinsurance contracts issued	64,366	9,653	42,177	116,196
Total amounts recognised in comprehensive income	**(204,004)**	**(58,888)**	**125,357**	**(137,535)**
Cash Flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	464,074	-	-	464,074
Recoveries from reinsurance	(381,540)	-	-	(381,540)
Total cash flows	**82,534**	**-**	**-**	**82,534**
Net balance as at 31 December	**3,433,787**	**116,579**	**934,394**	**4,484,760**
Closing reinsurance contract assets	3,433,787	116,579	934,394	4,484,760
Closing reinsurancecontract liabilities	-	-	-	-

12. Additional Notes For GMM (Continued)

	Parent Company			
	2023			
	RO			
	Present Value Of Future Cash Flows	Risk Adjustment For Non-Financial Risk	CSM	Total
Reinsurance contracts issued				
Opening reinsurance contract assets	3,587,462	175,318	781,054	4,543,834
Opening reinsurance contract liabilities	(32,205)	149	27,983	(4,073)
Net balance as at 01 January	**3,555,257**	**175,467**	**809,037**	**4,539,761**
Portfolio transfer of assets and liabilities	**(3,566,653)**	**(119,806)**	**(749,843)**	**(4,436,302)**
CSM recognised in profit or loss for the services provided	-	-	(271,601)	(271,601)
Change in the risk adjustment for nonfinancial risk for the risk expired	-	(25,212)	-	(25,212)
"Experience adjustments – relating to incurred claims and other directly attributable expenses recovery"	(315,473)	-	-	(315,473)
Changes that relate to current service	**(315,473)**	**(25,212)**	**(271,601)**	**(612,286)**
Contracts initially recognised in the period	(10,846)	455	11,118	727
Experience adjustments – arising from ceded premiums paid in the period that relate to future service	(124,513)	(50,356)	170,950	(3,919)
Changes that relate to future services	(135,359)	(49,901)	182,068	(3,192)
Changes that relate to past service –				
Changes in the FCF relating to incurred claims recovery	346,296	12,365	-	358,661
Changes that relate to past service	346,296	12,365	-	358,661
Net expenses / (income) from reinsurance contracts held	**(104,536)**	**(62,748)**	**(89,533)**	**(256,817)**
Finance expenses from reinsurance contracts issued	34,626	7,087	30,339	72,052
Total amounts recognised in comprehensive income	**(69,910)**	**(55,661)**	**(59,194)**	**(184,765)**
Cash Flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	462,847	-	-	462,847
Recoveries from reinsurance	**(381,541)**	**-**	**-**	**(381,541)**
Total cash flows	**81,306**	**-**	**-**	**81,306**
Net balance as at 31 December	-	-	-	-
Closing reinsurance contract assets	**-**	**-**	**-**	**-**
Closing reinsurance contract liabilities	**-**	**-**	**-**	**-**

12. Additional Notes For GMM (Continued)

	Group and Parent Company			
	2022			
	RO			
	Present Value Of Future Cash Flows	Risk Adjustment For Non- Financial Risk	CSM	Total
Reinsurance contracts issued				
Opening reinsurance contract assets	3,783,465	195,138	991,011	4,969,614
Opening reinsurancecontract liabilities	-	-	-	-
Net balance as at 01 January	**3,783,465**	**195,138**	**991,011**	**4,969,614**
CSM recognised in profit or loss for the services provided	-	-	(209,678)	(209,678)
Change in the risk adjustment for nonfinancial risk for the risk expired	-	(40,286)	-	(40,286)
Experience adjustments – relating to incurred claims and other directly attributable expenses recovery	240,816	-	-	240,816
Changes that relate to current service	**240,816**	**(40,286)**	**(209,678)**	**(9,148)**
Changes in estimates that adjust the CSM	-	-	-	-
Contracts initially recognised in the period	(8,005)	1,149	7,893	1,037
Experience adjustments – arising from ceded premiums paid in the period that relate to future service	(18,497)	2,496	(22,609)	(38,610)
Changes that relate to future services	**(26,502)**	**3,645**	**(14,716)**	**(37,573)**
Changes that relate to past service –				
Changes in the FCF relating to incurred claims recovery	(387,881)	9,994	-	(377,887)
Changes that relate to past service	**(387,881)**	**9,994**	-	**(377,887)**
Net income from reinsurance contracts held	**(173,567)**	**(26,647)**	**(224,394)**	**(424,608)**
Finance expenses from reinsurance contracts issued	72,380	6,976	42,420	121,776
Total amounts recognised in comprehensive income	**(101,187)**	**(19,671)**	**(181,974)**	**(302,832)**
Cash Flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	1,245,947	-	-	1,245,947
Recoveries from reinsurance	(1,372,968)	-	-	(1,372,968)
Total cash flows	**(127,021)**	-	-	**(127,021)**
Net balance as at 31 December	**3,555,257**	**175,467**	**809,037**	**4,539,761**
Closing reinsurance contract assets	3,587,462	175,318	781,054	4,543,834
Closing reinsurancecontract liabilities	(32,205)	149	27,983	(4,073)

12.2 Impact Of Contracts Recognised In The Period / Year Ending

	Group		
	2023		
	RO		
	Contracts initiated without loss-recovery component	Contracts initiated with loss-recovery component	Total
Reinsurancecontracts held			
Estimates of the present value of future cash inflows	5,286	82,291	87,577
Estimates of the present value of future cash outflows	(5,291)	(51,351)	(56,642)
Risk adjustment for non-financial risk	(264)	(2,568)	(2,832)
CSM	(1,581)	(28,372)	(29,953)
Increase in reinsurancecontract assets from contracts recognised in the year	**(1,850)**	-	**(1,850)**

	Parent Company		
	2023		
	RO		
	Contracts initiated without loss-recovery component	Contracts initiated with loss-recovery component	Total
Reinsurancecontracts held			
Estimates of the present value of future cash inflows	-	25,596	25,596
Estimates of the present value of future cash outflows	-	(14,750)	(14,750)
Risk adjustment for non-financial risk	-	(455)	(455)
CSM	(728)	(10,390)	(11,118)
Increase in reinsurancecontract assets from contracts recognised in the year	**(728)**	**1**	**(727)**

	Group and Parent Company		
	2022		
	RO		
	Contracts initiated without loss-recovery component	Contracts initiated with loss-recovery component	Total
Reinsurancecontracts issued			
Estimates of the present value of future cash inflows	2,641	28,345	30,986
Estimates of the present value of future cash outflows	(2,798)	(20,183)	(22,981)
Risk adjustment for non-financial risk	(140)	(1,009)	(1,149)
CSM	(740)	(7,153)	(7,893)
Increase in reinsurancecontract assets from contracts recognised in the year	**(1,037)**	-	**(1,037)**

13. Expected Recognition Of The Contractual Service Margin

(i) An analysis of the expected recognition of the CSM remaining at the end of the reporting period for contracts not measured under PAA, in profit or loss is provided in the following table (number of years until expected to be recognised)

Group							
	1 year	2 year	3 year	4 year	5 year	>6 year	Total
31 December 2023	RO	RO	RO	RO	RO	RO	RO
Total CSM for insurance contracts issued	1,734,936	1,252,038	890,794	625,199	427,948	772,468	**5,703,383**
Total CSM for reinsurance contracts held	(280,886)	(194,834)	(133,331)	(89,366)	(61,973)	(174,004)	**(934,394)**
Total	**1,454,050**	**1,057,204**	**757,463**	**535,833**	**365,975**	**598,464**	**4,768,989**
Parent Company							
	1 year	2 year	3 year	4 year	5 year	>6 year	Total
31 December 2023	RO	RO	RO	RO	RO	RO	RO
Total CSM for insurance contracts issued	475,685	1,555,566	1,119,631	790,590	549,145	1,060,078	**5,550,695**
Total CSM for reinsurance contracts held	(65,681)	(211,946)	(147,807)	(99,854)	(64,390)	(160,165)	**(749,843)**
Portfolio transfer of assets and liabilities	(410,004)	(1,343,620)	(971,824)	(690,736)	(484,755)	(899,913)	**(4,800,852)**
Total	-	-	-	-	-	-	-
Group & Parent Company							
	1 year	2 year	3 year	4 year	5 year	>6 year	Total
31 December 2022 (Restated)	RO	RO	RO	RO	RO	RO	RO
Total CSM for insurance contracts issued	1,524,550	1,098,485	789,215	561,147	393,422	904,218	**5,271,037**
Total CSM for reinsurance contracts held	(244,189)	(169,358)	(116,019)	(80,742)	(54,688)	(144,041)	**(809,037)**
Total	**1,280,361**	**929,127**	**673,196**	**480,405**	**338,734**	**760,177**	**4,462,000**

(ii) "Paragraph 114 of IFRS 17 requires disclosures that show the effect on insurance revenue and the CSM of groups of insurance contracts issued that were measured at the transition dateapplying paragraph 103(a), separately for:

(a) insurance contracts that existed at the transition date to which the Company has applied the modified retrospective approach;

(b) insurance contracts that existed at the transition date to which the Company has applied the fair value approach; and

(c) all other insurance contracts.

Given that the Group has applied modified retrospective approach to all groups of contracts, this disclosure is not applicable to the Group."

(iii) Details of the measurement components of insurance and reinsurance contract balances measured under both PAA and GMM as follows:

	Group			Parent Company		
	2023			2023		
	RO			RO		
	PAA	GMM	Total	PAA	GMM	Total
Insurance contract assets	889,696	-	**889,696**	-	-	-
Insurance contract liabilities	(134,885,571)	(13,709,437)	**(148,595,008)**	(32,879,639)	-	**(32,879,639)**
Reinsurance contract assets	24,188,211	4,484,760	**28,672,971**	1,716,205	-	**1,716,205**
Reinsurance contract liabilities	(13,199,660)	-	**(13,199,660)**	(978,509)	-	**(978,509)**
	(123,007,324)	**(9,224,677)**	**(132,232,001)**	**(32,141,943)**	-	**(32,141,943)**
	Group			Parent Company		
	2022			2022		
	RO			RO		
	PAA	GMM	Total	PAA	GMM	Total
Insurance contract assets	251,789	-	**251,789**	73,110	-	**73,110**
Insurance contract liabilities	(137,689,953)	(14,583,223)	**(152,273,176)**	(62,392,309)	(14,583,223)	**(76,975,532)**
Reinsurance contract assets	19,661,856	4,543,834	**24,205,690**	4,563,924	4,543,834	**9,107,758**
Reinsurance contract liabilities	(5,919,352)	(4,073)	**(5,923,425)**	(496,072)	(4,073)	**(500,145)**
	(123,695,660)	**(10,043,462)**	**(133,739,122)**	**(58,251,347)**	**(10,043,462)**	**(68,294,809)**

14. Other Receivables & Prepayments

	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
Other receivables	**25,814,257**	17,131,636	**21,902,832**	8,779,892
Accrued interest	**6,214,109**	5,578,563	**714,820**	1,555,538
	32,028,366	22,710,199	**22,617,652**	10,335,430
Provision for doubtful debts	**(109,430)**	(109,430)	**(109,430)**	(109,430)
Expected credit losses of other receivables	**(35,617)**	(26,165)	**(1,321)**	(26,165)
	31,883,319	22,574,604	**22,506,901**	10,199,835

15. Loans To Policy Holders

Loans to policyholders are generally advanced at 90% of the cash value of the respective policies and carry an annual effective rate of interest of 9.5% (2022- 9.5%). The loans are secured against the cash values of the respective policies, and do not have specific repayment terms.

	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
At 1 January	**47,587**	47,587	**47,587**	47,587
Portfolio transfer of assets and liabilities	-	-	**(41,297)**	-
Movement during the year	**(15,953)**	-	**(6,290)**	
At 31 December	**31,634**	47,587	-	47,587

16. Restrictions On Transfer Of Assets

In accordance with the law governing the operation of insurance companies within the Sultanate of Oman, the Group has identified to the Capital Market Authority certain specific bank deposits, investments and loans to policyholders included in the consolidated statement of financial position at a total value of RO 82,985,483 (2022: RO 84,576,058). Under the terms of the legislation, the Group can transfer these assets only with the prior approval of the Capital Market Authority. The Group has provided bank guarantee of RO 50,000 (2022: RO 50,000) to the Oman Unified Bureau for the Orange Card which is secured by a fixed deposit.

In accordance with the law governing the operation of insurance companies within the United Arab Emirates,Kuwait,Saudi Arabia and Bahrain the Group has identified to the Insurance Authority, Abu Dhabi – UAE, The Ministry of Commerce and Industry, Kuwait, Saudi Central Bank and Central Bank of Bahrain respectively, in certain specific fixed deposits of RO 1,792,936 (2022: RO 1,736,005), RO 2,898,350 (2022: RO 3,216,850), RO 4,336,127 (2022: RO 4,709,628)and RO 312,523 (2022: 296,933) which are included in the consolidated statement of financial position. Under the terms of the legislation, the Group can transfer these assets only with the prior approval of the respective authorities.

The Group has credit facility of RO 5,000,000 (2022: RO 5,000,000) with Ahli Bank SAOG for which the Group has provided negative pledge confirmation over its current assets and an undertaking not to create any encumbrance on its assets to any other lenders.

17. Property & Equipment

	Group					
	Land and Building	Right-of-use asset	Motor Vehicles	Furniture and equipment	Computer equipment	Total
	RO	RO	RO	RO	RO	RO
Cost						
At 1 January 2022	5,027,328	-	269,697	1,829,755	4,133,297	11,260,077
Amount transferred on acquisition of subsidiary	190,162	665,815	15,192	967,930	855,154	2,694,253
Additions	-	-	-	399,364	1,109,052	1,508,416
Disposals and write offs	-	(189,281)	-	-	-	(189,281)
At 31 December 2022	**5,217,490**	**476,534**	**284,889**	**3,197,049**	**6,097,503**	**15,273,465**
Accumulated depreciation						
At 1 January 2022	348,327	-	239,644	1,227,159	2,825,359	4,640,489
Charge for the year	117,720	65,343	27,387	438,747	919,693	1,568,890
Disposals and write offs	-	(67,040)	-	-	-	(67,040)
At 31 December 2022	**466,047**	**(1,697)**	**267,031**	**1,665,906**	**3,745,052**	**6,142,339**
Net book amount						
At 31 December 2022	**4,751,443**	**478,231**	**17,858**	**1,531,143**	**2,352,451**	**9,131,126**

	Group					
	Land and Building	Right-of-use asset	Motor Vehicles	Furniture and equipment	Computer equipment	Total
	RO	RO	RO	RO	RO	RO
Cost						
At 1 January 2022	5,027,328	-	269,697	1,829,755	4,133,297	11,260,077
Amount transferred on acquisition of subsidiary	190,162	665,815	15,192	967,930	855,154	2,694,253
Additions	-	-	-	399,364	1,109,052	1,508,416
Disposals and write offs	-	(189,281)	-	-	-	(189,281)
At 31 December 2022	**5,217,490**	**476,534**	**284,889**	**3,197,049**	**6,097,503**	**15,273,465**
Accumulated depreciation						
At 1 January 2022	348,327	-	239,644	1,227,159	2,825,359	4,640,489
Charge for the year	117,720	65,343	27,387	438,747	919,693	1,568,890
Disposals and write offs	-	(67,040)	-	-	-	(67,040)
At 31 December 2022	**466,047**	**(1,697)**	**267,031**	**1,665,906**	**3,745,052**	**6,142,339**
Net book amount						
At 31 December 2022	4,751,443	478,231	17,858	1,531,143	2,352,451	9,131,126

	Parent Company					
	Land and Building	Right-of-use asset	Motor Vehicles	Furniture and equipment	Computer equipment	Total
	RO	RO	RO	RO	RO	RO
Cost						
At 1 January 2023	5,027,328	-	269,697	1,851,743	4,388,699	11,537,467
Portfolio transfer of assets and liabilities	-	(361,756)	(150,570)	(1,452,468)	(4,113,513)	(6,078,307)
Additions	-	361,756	-	-	291,406	653,162
Disposals and write offs	(1,228,153)	-	(71,450)	(318,448)	-	(1,618,051)
At 31 December 2023	**3,799,175**	**-**	**47,677**	**80,827**	**566,592**	**4,494,271**
Accumulated depreciation						
At 1 January 2023	465,387	-	265,196	1,382,949	3,143,284	5,256,816
Charge for the year	114,005	54,269	4,478	156,517	413,238	742,507
Portfolio transfer of assets and liabilities	-	(54,269)	(150,549)	(1,239,973)	(3,120,593)	(4,565,384)
Disposals and write offs	(133,914)	-	(71,449)	(226,612)	-	(431,975)
At 31 December 2023	**445,478**	**-**	**47,676**	**72,881**	**435,929**	**1,001,964**
Net book amount						
At 31 December 2023	3,353,697	-	1	7,946	130,663	3,492,307

17. Property & Equipment (Continued)

	Parent Company					
	Land and Building	Right-of-use asset	Motor Vehicles	Furniture and equipment	Computer equipment	Total
	RO	RO	RO	RO	RO	RO
Cost						
At 1 January 2022	5,027,328	-	269,697	1,724,944	3,839,439	10,861,408
Additions	-	-	-	126,799	549,260	676,059
At 31 December 2022	**5,027,328**		**269,697**	**1,851,743**	**4,388,699**	**11,537,467**
Accumulated depreciation						
At 1 January 2022	348,327	-	239,644	1,167,656	2,607,725	4,363,352
Charge for the year	117,060	-	25,552	215,293	535,559	893,464
At 31 December 2022	**465,387**		**265,196**	**1,382,949**	**3,143,284**	**5,256,816**
Net book amount						
At 31 December 2022	4,561,941		4,501	468,794	1,245,415	6,280,651

18. Intangible Assets (Including Goodwill)

Intangible assets (including Goodwill)	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
Intangible Assets (note 18.1)	**3,700,228**	4,034,805	**255,369**	278,965
Goodwill (note 18.2)	**24,864,231**	24,864,231	-	146,490
	28,564,459	28,899,036	**255,369**	425,455

18.1 Movement In Intangible Assets

Intangible	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
Cost				
At 1 January	**4,516,365**	373,349	**373,349**	373,349
Amount transferred on acquisition of subsidiary	-	1,500,054	-	-
Intangible assets on acquisition of subsidiary	-	2,772,000	-	-
Additions	**522,189**	109,186	-	-
Disposals and write offs	-	(238,224)	-	-
At 31 December	**5,038,554**	4,516,365	**373,349**	373,349
Accumulated depreciation				
At 1 January	**481,560**	70,788	**94,384**	70,788
Charge for the year (note 31)	**856,766**	301,990	**23,596**	23,596
Eliminated on revaluation	-	108,782	-	-
At 31 December	**1,338,326**	481,560	**117,980**	94,384
Net book amount				
At 31 December	**3,700,228**	4,034,805	**255,369**	278,965

18.2 Movement In Goodwill

Movement in Goodwill	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
At 1 January	**24,864,231**	146,490	**146,490**	146,490
Portfolio Transfer of Assets & Liabilities	-	-	**(146,490)**	-
Goodwill on acquisition of subsidiary	-	24,717,741	-	-
At 31 December	**24,864,231**	24,864,231	-	146,490

The Group performs goodwill impairment testing on intangible assets at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Any impairment loss on goodwill is recognised immediately as an expense and is not subsequently reversed.

Goodwill was recorded on life business obtained from Al Ahlia Insurance Company SAOC amounting to RO 146,490. At the end of the reporting period, the Group assessed the recoverable amount of goodwill, on business obtained from Al Ahlia Insurance Company SAOC and determined that goodwill was not impaired. The impairment test, amongst others, is significantly dependent on the cost of capital and achievement of projected results.

Upon completion of purchase price allocation for the acquisition of Inayah TPA LLC, intangible assets amounting to RO 373,349 have been recognized by the Group. The useful life of the intangible assets arising from acquisition of Inayah TPA LLC were assessed by the Group and based on the assessment, the Group has amortised the intangible assets by RO 23,596 (2022: RO 23,596) which has been accounted during the year.

Impairment Testing

At the end of the reporting period, the Group assessed the recoverable amount of goodwill, using key assumptions including 2% terminal growth rate, weighted average cost of capital in the range of 12.4% and determined that goodwill was not impaired. The impairment test, amongst others, is dependent on the weighted average cost of capital and achievement of projected results for a five year period. Cost of capital reflects the market's assessment of the entities future cash flows and is modelled taking into account risk free rate of return and adjusted for currency/country risk. Currency risk is determined by taking the spread of2 and 3 year Oman government bond yield with the yield on US government treasury bills of same tenure. The spread will capture any additional market risk and additional inflation/ currency depreciation risk specific as required by IAS 36.

18.3 Acquisition of Royal & Sun Alliance Insurance (Middle East) now known as "Liva Insurance BSC (c)"

On 7 July 2022, the Company has completed the purchase of 50.00002% shareholding in Royal & Sun Alliance Insurance (Middle East) (RSA ME) now known as Liva Insurance BSC (c), previously a fully owned entity of Royal & Sun Alliance Insurance Limited. The remaining shares in RSA ME owned by Saudi shareholders, was exchanged with company shares by way of private placement. As a result, RSA ME became a wholly owned subsidiary of the company. The company issued 133,374,342 new shares through private placement which was approved by the shareholders in extra Ordinary meeting held on 26 June 2022. Following are the details of the consideration paid.

Consideration transferred					
Unit Price	Units	Unit Price	Amount	Share issue expenses	Net Amount
			RO	RO	RO
Cash			52,060,600	-	52,060,600
Share Issued	133,374,342	0.320	42,679,790	(165,888)	42,513,902
			94,740,390	**(165,888)**	**94,574,502**

Equity Instruments Issued

The fair value of the ordinary shares issued was based on the listed share price of the Company as at 4 July 2022 of RO 0.320 per share since there was no trade on MSX on 07 July 2022 .

Identifiable Assets Acquired & Liabilities Assumed

In accordance with IFRS 3 'Business Combinations', the company required a purchase price allocation (PPA) to be carried out within 12 months from the transaction date, 7 July 2022. At end of FY end 31 December 2022, the company recorded provisional goodwill amount of RO 25,163,527. Subsequently, the purchase price allocation was completed in the third quarter of 2023 and the net result was a goodwill of RO 24,717,741 and Intangible assets of RO 2,772,000.The comparative statement of financial position has been restated to reflect the new goodwill balance. Following table summarizes the recognized amounts of assets acquired, and liabilities assumed at the date of acquisition at 30 June 2022.

Assets	RO
Cash and bank balances	18,881,555
Bank deposit	101,669,645
Investment at fair value through profit or loss	360,464
Investment at amortized cost	43,732,342
Investments at fair value through other comprehensive income	1,617,572
Insurance contract assets	335,852
Reinsurance contract assets	13,324,975

Identifiable Assets Acquired & Liabilities Assumed (Continued)

Other receivables and prepayments	9,052,305
Plant and equipment	2,694,253
Intangible assets	1,500,054
	193,169,017

Liabilities	RO
Insurance contract liabilities	61,694,217
Reinsurance contract liabilities	3,137,772
Payables, accruals & provisions	26,986,037
	91,818,026
Total identifiable net assets acquired	**101,350,991**
Net Cash Flow on acquisition:	
	RO
Cash consideration paid	(52,060,600)
Net cash equivalents acquired	18,881,555
Net cash consideration paid	**(33,179,045)**
Goodwill	
Goodwill & Intangibles arising from the acquisition has been recognised as follows:	
	RO
Total consideration transferred	94,574,502
NCI based on their proportionate interest in the recognised amounts of the net assets and liabilities	34,266,230
Carrying value of net identifiable assets	(101,350,991)
Total Allocable Purchase Premium after acquisition adjustments	**27,489,741**
Less : Identified intangible asset	
Customer Relationship	**2,111,340**
Licenses	**660,660**
Total Identified intangible asset	**2,772,000**
Goodwill at acquisition	**24,717,741**

18.4 Non-Controlling Interest (NCI)

The following table summarises the information relating to the Group's subsidiary that has material NCI. The extent of the Parent's shareholding in Al Alamiya for Cooperative Insurance Company is 50.07% through purchase of RSA (ME)

	2023
	RO
Statement of financial position	
Non-current Assets	5,278,713
Current Assets	93,381,869
Non-current Liabilities	(711,069)
Current Liabilities	(56,809,485)
Net Assets	**41,140,028**
Net Assets attributable to NCI	17,361,561
Statement of comprehensive income	
Revenue	52,732,616
Profit for the year	1,233,067
Other comprehensive income (OCI)	(20,710)
Total Comprehensive Income	**(2,116,467)**
Profit allocated to NCI	615,872
OCI allocated to NCI	(10,457)
Total Comprehensive Income allocated to NCI*	**605,415**
Statement of cash flows	
Cash flow from operating activities	596,394
Cash flow from investing activities	6,351,074
Cash flow from financing activities	-
Net change in cash and cash equivalents	6,947,468

19. Share Capital & Premium

	2023	2022	2023	2022
	Number of shares	Number of shares	RO	RO
Authorised - shares of RO 0.100 each (2022: RO 0.100 each)	**100,000,000**	100,000,000	**100,000,000**	100,000,000
Issued and fully paid - shares of RO 0.100 each (2022: RO 0.100 each)	**398,374,342**	398,374,342	**39,837,434**	39,837,434
Share premium	-	-	**29,176,468**	29,176,468
Share capital and premium	-	-	**69,013,902**	69,013,902

Major Shareholders

Shareholders of the Company who own 10% or more of the Company's shares, whether in their name, or through a nominee account, and the number of shares they hold are as follows:

	2023	2022
Oman International Development and Investment Company SAOG 48.858% (2022: 48.858%)	194,637,357	194,635,357
Riyad Bank 14.348% (2022: 14.348%)	57,160,436	57,160,436
	251,797,793	251,795,793

20. Legal Reserve

As required by the Commercial Companies Law of the Sultanate of Oman, 10% of the profit for the year has to be transferred to a legal reserve until such legal reserve amounts to, at least, one third of the company's share capital. The reserve is not available for distribution.

21. Contingency Reserve

In accordance with article 10 (bis) (2)(c) and 10 (bis) (3)(b) of Regulations for Implementing Insurance Companies Law (Ministerial Order 5/80), as amended, 10% of the net outstanding claims in case of the general insurance business amounting to RO NIL (2022: RO 1,012,120) and 1% of the life assurance premiums for the year in case of life insurance business amounting to RO 44,724 (2022: RO 1,372,253) at the reporting date is transferred from retained earnings to a contingency reserve. The Parent Company may discontinue this transfer when the reserve equals to the issued share capital. No dividend shall be declared in any year until the deficit in the reserve is covered from the retained profits. The reserves shall not be used except by prior approval of the Capital Market Authority.

22. Revaluation Reserve

The revaluation reserve relates to revaluation of the building classified under property and equipment.

23. Dividends Paid & Proposed

Shareholders in annual general meeting of the Company dated 26 March 2023 (2022 - annual general meeting dated 31 March 2022) approved nil cash dividend (31 December 2022 – nil cash dividend).

The Board of Directors proposed a dividend in the form of mandatory convertible bonds (MCBs) amounting to RO 4,647,700 (0.012 baizas per share) in meeting held on 28 February 2024. The proposed dividend is subject to regulatory approvals and further approvals of the Shareholders at the forthcoming Annual General Meeting. These separate and consolidated financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the year of approval.

24. Other Liabilities

	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
Accrued expenses	**12,238,438**	5,188,864	**4,884,198**	4,186,450
Other payables	**15,356,447**	17,536,771	**11,057,500**	7,253,302
Employees' end of service benefits	**4,191,545**	4,623,101	**432,463**	1,084,456
Lease liabilities	**1,479,249**	1,424,115	-	-
	33,265,679	28,772,851	**16,374,161**	12,524,208

24.1 Movement in the liability for Employees' end of service benefits is as follows:

	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
At 1 January	**4,623,101**	1,015,086	**1,084,456**	990,368
Portfolio transfer of assets and liabilities	-	4,016,424	**(405,863)**	-
Charge for the year (note 31)	**1,239,585**	469,858	**268,598**	214,591
Paid during the year	**(1,671,141)**	(878,267)	**(514,728)**	(120,503)
At 31 December	**4,191,545**	4,623,101	**432,463**	1,084,456

25. Contingent Liabilities

25.1 Contingencies

At 31 December 2023, there were contingent liabilities in respect of guarantees issued by commercial banks on behalf of the Company amounting to RO 351,938 (2022: RO 389,195) given in the normal course of business from which it is anticipated that no material liabilities will arise.

25.2 Legal Claims

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.

26. Net Assets Per Share

Net assets per share are calculated by dividing the net assets attributable to the Company at the year-end by the number of shares outstanding at the year end as follows:

	Group		Parent Company	
	2023	2022	2023	2022
Net assets (RO)	**107,213,138**	100,319,387	**109,988,413**	103,094,662
Number of shares outstanding at 31 December	**398,374,342**	398,374,342	**398,374,342**	398,354,342
Net assets per share (RO)	**0.269**	0.252	**0.276**	0.259

27. Insurance Service Result

	Group					
	2023			2022		
	GMM	PAA	Total	GMM	PAA	Total
	RO	RO	RO	RO	RO	RO
Insurance revenue						
Contracts not measured under the PAA						
Amounts relating to the changes in the LRC						
- Expected incurred claims and other expenses after loss component allocation	621,163	-	621,163	674,223	-	674,223
- Change in the risk adjustment for non-financial risk for the risk expired after loss component allocation	107,896	-	107,896	135,785	-	135,785
- CSM recognised in profit or loss for the services provided	2,316,336	-	2,316,336	1,964,991	-	1,964,991
Insurance acquisition cash flows recovery	9,036	-	9,036	2,310	-	2,310
Insurance revenue from contracts not measured under the PAA	3,054,431	-	3,054,431	2,777,309	-	2,777,309
Insurance revenue from contracts measured under the PAA	-	307,702,312	307,702,312	-	214,201,751	214,201,751
Total insurance revenue	3,054,431	307,702,312	310,756,743	2,777,309	214,201,751	216,979,060
Insurance service expenses						
Incurred claims and other directly attributable expenses	(2,464,264)	(327,439,102)	(329,903,366)	(2,812,930)	(176,644,558)	(179,457,488)
Changes that relate to past service - adjustments to the LIC	706,038	103,172,363	103,878,401	1,205,916	6,797,416	8,003,332
Reversals of losses on onerous contracts	-	4,053,176	4,053,176	-	2,688,457	2,688,457
Losses on onerous contracts	(8,650)	(2,221,120)	(2,229,770)	(38,499)	(2,654,256)	(2,692,755)
Insurance acquisition cash flows amortization	(9,036)	(54,996,639)	(55,005,675)	(2,310)	(32,884,622)	(32,886,932)
Total insurance service expenses	(1,775,912)	(277,431,322)	(279,207,234)	(1,647,823)	(202,697,563)	(204,345,386)
Net income (expenses) from reinsurance contracts held						
Reinsurance expenses - contracts not measured under the PAA						
Amounts relating to the changes in the remaining coverage						
- Expected claims and other expenses recovery	(901,546)	-	(901,546)	(1,131,892)	-	(1,131,892)
- Changes in the risk adjustment recognised for the risk expired	(33,096)	-	(33,096)	(40,273)	-	(40,273)
- CSM recognised for the services received	(303,339)	-	(303,339)	(209,678)	-	(209,678)
Reinsurance expenses - contracts not measured under the PAA	(1,237,981)	-	(1,237,981)	(1,381,843)	-	(1,381,843)
Reinsurance expenses - contracts measured under the PAA	-	(50,121,654)	(50,121,654)	-	(32,009,013)	(32,009,013)
Total reinsurance expense	(1,237,981)	(50,121,654)	(51,359,635)	(1,381,843)	(32,009,013)	(33,390,856)
Amounts recoverable from reinsurers for incurred claims						
Claims recovered	381,540	-	381,540	1,372,968	-	1,372,968
Changes that relate to past service - adjustments to incurredclaims	602,710	-	602,710	(415,733)	-	(415,733)
Amounts recoverable from reinsurers for incurred claims - contracts not measured under the PAA	984,250	-	984,250	957,235	-	957,235
Amounts recoverable from reinsurers for incurred claims - contracts measured under the PAA	-	27,868,721	27,868,721	-	25,279,379	25,279,379
Total net income from reinsurance contracts held	984,250	27,868,721	28,852,971	957,235	25,279,379	26,236,614
Total insurance service result	1,024,788	8,018,057	9,042,845	704,878	4,774,554	5,479,432

27. Insurance Service Result (Continued)

	Parent Company					
	2023			2022		
	GMM	PAA	Total	GMM	PAA	Total
	RO	RO	RO	RO	RO	RO
Insurance revenue						
Contracts not measured under the PAA						
Amounts relating to the changes in the LRC						
- Expected incurred claims and other expenses after loss component allocation	**427,919**	-	**427,919**	674,223	-	674,223
- Change in the risk adjustment for non-financial risk for the risk expired after loss component allocation	**77,187**	-	**77,187**	135,785	-	135,785
- CSM recognised in profit or loss for the services provided	**1,617,449**	-	**1,617,449**	1,964,991	-	1,964,991
Insurance acquisition cash flows recovery	**5,252**	-	**5,252**	2,310	-	2,310
Insurance revenue from contracts not measured under the PAA	**2,127,807**	-	**2,127,807**	2,777,309	-	2,777,309
Insurance revenue from contracts measured under the PAA	-	**156,914,020**	**156,914,020**	-	155,923,809	155,923,809
Total insurance revenue	**2,127,807**	**156,914,020**	**159,041,827**	2,777,309	155,923,809	158,701,118
Insurance service expenses						
Incurred claims and other directly attributable expenses	**(1,744,130)**	**(190,706,868)**	**(192,450,998)**	(2,812,930)	(142,595,957)	(145,408,887)
Changes that relate to past service - adjustments to the LIC	**487,187**	**51,377,323**	**51,864,510**	1,205,916	9,002,788	10,208,704
Reversals of losses on onerous contracts	-	**4,053,176**	**4,053,176**	-	3,241,277	3,241,277
Losses on onerous contracts	**(20,539)**	**(2,441,830)**	**(2,462,369)**	(38,499)	(4,226,483)	(4,264,982)
Insurance acquisition cash flows amortization	**(5,252)**	**(20,373,901)**	**(20,379,153)**	(2,310)	(18,358,294)	(18,360,604)
Total insurance service expenses	**(1,282,734)**	**(158,092,100)**	**(159,374,834)**	(1,647,823)	(152,936,669)	(154,584,492)
Net income (expenses) from reinsurance contracts held						
Reinsurance expenses - contracts not measured under the PAA						
Amounts relating to the changes in the remaining coverage						
- Expected claims and other expenses recovery	**(696,862)**	-	**(696,862)**	(1,131,892)	-	(1,131,892)
- Changes in the risk adjustment recognised for the risk expired	**(25,208)**	-	**(25,208)**	(40,273)	-	(40,273)
- CSM recognised for the services received	**(271,601)**	-	**(271,601)**	(209,678)	-	(209,678)
Reinsurance expenses - contracts not measured under the PAA	**(993,671)**	-	**(993,671)**	(1,381,843)	-	(1,381,843)
Reinsurance expenses - contracts measured under the PAA	-	**(26,573,431)**	**(26,573,431)**	-	(20,065,917)	(20,065,917)
Total reinsurance expense	**(993,671)**	**(26,573,431)**	**(27,567,102)**	(1,381,843)	(20,065,917)	(21,447,760)
Amounts recoverable from reinsurers for incurred claims						
Claims recovered	**381,540**	-	**381,540**	1,372,968	-	1,372,968
Changes that relate to past service - adjustments to incurredclaims	**355,315**	-	**355,315**	(415,733)	-	(415,733)
Amounts recoverable from reinsurers for incurred claims - contracts not measured under the PAA	**736,855**	-	**736,855**	957,235	-	957,235
Amounts recoverable from reinsurers for incurred claims - contracts measured under the PAA	-	**25,228,889**	**25,228,889**	-	19,718,381	19,718,381
Total net income / (expenses) from reinsurance contracts held	**736,855**	**25,228,889**	**25,965,744**	957,235	19,718,381	20,675,616
Total insurance service result	**588,257**	**(2,522,622)**	**(1,934,365)**	704,878	2,639,604	3,344,482

28. Investment Income – Net

	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
Interest income on bank deposits and otherinvestments	**7,144,652**	3,429,251	**1,941,287**	1,917,556
Interest income on bonds, net of amortisation charge	**4,635,861**	3,464,644	**2,679,706**	2,896,645
Interest income on loans to policy holders	**5,154**	4,743	**2,829**	4,743
Dividend income	**359,660**	256,895	**333,163**	247,531
Net unrealised gain on investment carried at FVTPL	**994,233**	5,559	**33,660**	3,267
Net realised (loss)/gains on disposal of investments carried at fair value through profit or loss	**5,000**	(296,861)	**-**	(296,861)
Net realised loss on investment carried at FVOCI – debt instruments	**(184,949)**	-	**(184,949)**	-
	12,959,611	6,864,231	**4,805,696**	4,772,881
Investment acquisition cost and portfolio management fees	**(137,670)**	(75,983)	**(138,061)**	(75,983)
Investment Income recognised in the Profit and Loss	**12,821,941**	6,788,248	**4,667,635**	4,696,898
Investment Income recognised in the OCI	**1,137,244**	4,565,835	**1,148,347**	2,513,345
Total Investment Income	**13,959,185**	11,354,083	**5,815,982**	7,210,243

Net Insurance Finance Income / (Expenses) From Insurance Contracts Issued-GMM Portfolios

Interest accreted to insurance contracts				
Interest accreted to CSM	**207,951**	194,647	**153,113**	194,647
Interest expense on last period PV to P&L	**247,040**	206,695	**189,805**	206,695
Interest expense on last period PV for Incurred claims PAA to P&L	**3,697**	1,846	**3,697**	1,846
Interest expense on RA to P&L	**15,501**	13,030	**11,484**	13,030
Interest Expense on Risk Adj for Incurred Claims PAA to P&L	**1,894**	938	**1,411**	938
(A) ---->	**476,083**	417,156	**359,510**	417,156

Effect Of Differences Between Current Rates & Locked-In Rates When Measuring Changes In Estimates

Diff in change in estimate on incep & last val disc rate on PV to P&L	**(11,839)**	933	**(11,226)**	933
(B) ---->	**(11,839)**	933	**(11,226)**	933

Effect of changes in interest rates and other financial assumptions				
Effect of change in discount rate on PV to P&L	(101,792)	(25,291)	(120,081)	(25,291)
Effect of change in discount rate on PV to Incurred claims to P&L	(391)	-	(439)	-
Effect of change in discount rate on RA to Incurred claims to P&L	(20)	-	(22)	-
(C) ---->	(102,203)	(25,291)	(120,542)	(25,291)
Net Insurance finance income / (expenses) from insurance contracts issued-GMM Portfolios (D = A+B+C)	362,041	392,798	227,742	392,798

Net Insurance Finance Income / (Expenses) From Insurance Contracts Issued- PAA Portfolios

Interest Accreted To Insurance Contracts- PAA Portfolios

Interest accreted to insurance contracts using current financial assumptions	**1,965,833**	329,953	**874,015**	265,644
Due to changes in interest rates and other financial assumptions	**(109,848)**	(19,141)	**(8,194)**	(54,660)
Insurance finance income / (expenses) from insurance contracts issued- PAA Portfolios (E) ---->	**1,855,985**	310,812	**865,821**	210,984
Insurance finance income / (expenses) from insurance contracts issued-GMM+PAA Portfolios (D+E)	**2,218,026**	703,610	**1,093,563**	603,782
Represented by:				
Amounts recognised in profit or loss	**2,218,026**	703,610	**1,093,563**	603,782
Amounts recognised in OCI	-	-	-	-
	2,218,026	703,610	**1,093,563**	603,782

29. Other Operating Income – Net

	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
Miscellaneous income	**1,981,910**	254,945	**57,506**	101,545
Rental income	-	1,039	**31,856**	26,955
Gain on disposal of property and equipment	**2,746,562**	-	**2,746,562**	-
Exchange (loss)/ gain	**24,111**	(20,922)	**24,687**	(23,193)
	4,752,583	235,062	**2,860,611**	105,307

30. Finance Cost

	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
Bank Loans- Long term	**3,401,135**	1,393,361	**3,401,135**	1,393,361
Bank Loans- Short term / Overdraft	**1,048,028**	185,887	**990,680**	185,887
	4,449,163	1,579,248	**4,391,815**	1,579,248

31. General, Administrative & Selling Expenses

	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
Commission expense	**31,634,864**	21,106,925	**14,122,529**	12,842,864
Wages, salaries and other benefits	**21,277,648**	13,263,749	**6,167,438**	6,775,227
Third Party Administration fees	**1,562,162**	1,288,654	**3,057,024**	2,781,355
Rent and utility expenses	**2,000,317**	1,345,352	**448,695**	641,298
Depreciation (note 17)	**2,060,839**	1,568,890	**742,507**	893,464
Director's remuneration and sitting fees	**513,678**	290,629	**326,500**	181,400
Professional and consultants fees	**3,640,242**	1,297,919	**899,392**	607,447
Computer expenses	**3,998,336**	1,740,069	**579,001**	816,378
Company registration & membership costs	**445,082**	675,546	**434,538**	675,546
Social security benefits	**836,716**	553,134	**269,796**	358,764
Employees' end of service benefits (note 24.1)	**1,239,585**	469,858	**268,598**	214,591
Advertisement and publicity	**1,699,393**	595,393	**546,257**	61,995
Recruitment and training expenses	**98,347**	36,687	**26,822**	29,612
Goodwill impairment/Amortization of Intangible Assets	**856,766**	301,990	**23,596**	23,596
Other expenses and fees	**7,371,253**	4,224,263	**812,233**	1,578,344
	79,235,228	48,759,058	**28,724,926**	28,481,881

Above General, administrative and selling expenses have been classified as following:

Insurance acquisition costs (part of Insurance service expenses)	**40,373,218**	27,892,941	**20,673,923**	20,170,611
Claims handling expenses and Administrative costs (part of Insurance Service expenses)	**26,361,773**	14,661,064	**3,293,257**	3,961,022
Non Attributable Expenses	**12,500,237**	6,205,053	**4,757,746**	4,350,248
	79,235,228	48,759,058	**28,724,926**	28,481,881

32. Income Tax

	Group		Parent Company	
	2023	**2022**	**2023**	**2022**
	RO	**RO**	**RO**	**RO**
Statement of comprehensive income				
Current tax				
- For the year	**1,212,599**	939,101	-	286,314
- Additional provision / adjustment relating to prior years	**(29,000)**	-	-	-
Deferred tax	**(58,986)**	(17,807)	**(172,953)**	(5,518)
	1,124,613	921,294	**(172,953)**	280,796

	Group		Parent Company	
	2023	**2022**	**2023**	**2022**
	RO	**RO**	**RO**	**RO**
Current liability				
Income tax payable	**7,022,765**	6,916,723	**28,031**	319,289
Non-current asset				
Deferred tax asset	**517,379**	638,574	**391,514**	398,570

Movement for income tax payable is as follows:				
	Group		Parent Company	
	2023	**2022**	**2023**	**2022**
	RO	**RO**	**RO**	**RO**
At 1 January	**6,916,723**	1,273,478	**319,289**	1,273,478
Amount transferred on acquisition of subsidiary	-	6,188,303	-	-
Charge for the year	**1,183,601**	939,103	-	286,314
Paid during the year	**(840,037)**	(1,321,176)	**(273,478)**	(1,240,503)
Refund / other adjustment	**(237,522)**	(162,985)	**(17,780)**	-
At 31 December	**7,022,765**	6,916,723	**28,031**	319,289

Reconciliation Of Income Tax Expenses

The tax rate applicable to the Parent Company is 15% (2022: 15%). For the purpose of determining the tax expense for the year, the accounting profit has been adjusted for tax purposes. Adjustments for tax purposes include items relating to both income and expense.

The following is the reconciliation of income taxes calculated at the applicable tax rate with the income tax expenses:

	Group		Parent Company	
	2023	**2022**	**2023**	**2022**
	RO	**RO**	**RO**	**RO**
Profit before income tax	**7,501,122**	4,029,073	5,587,684	3,937,787
Income tax as per rates mentioned above	**2,223,906**	807,325	838,153	590,668
Non-deductible expenses	**190,030**	(9,880)	3,462	3,735
Tax exempt revenue	**(249,538)**	(179,312)	(117,959)	(179,312)
Additional provision relating to prior years	**(28,541)**	25,000	-	-
Others	**(1,011,244)**	278,161	(550,703)	(134,295)
Tax expense for the year	**1,124,613**	921,294	172,953	280,796

Status Of Tax Assessment

The Parent Company's tax assessments up to tax year 2020 have been completed by the tax authorities. The management believes that tax assessed, if any, in respect of the unassessed tax years would not be material to the separate and consolidated financial position of the Group as at 31 December 2023.

32 Income Tax (Continued)

Deferred Tax

	Group				Parent Company		
	At 1 Jan 2023	Movement during the year	Pre- acquisition	As on 31 Dec 2023	At 1 Jan 2023	Movement during the year	As on 31 Dec 2023
	RO	RO	RO	RO	RO	RO	RO
2023							
Amortisation of goodwill	(43,306)	24,530	-	(18,776)	(43,306)	24,530	(18,776)
Provision for doubtful debts	720,407	(456,496)	-	263,911	553,339	(342,357)	210,982
Depreciation and revaluation of property and equipment	(14,431)	36,003	-	21,572	(87,367)	36,003	(51,364)
Current year tax losses	-	459,615	-	459,615	-	459,615	459,615
Unrealised loss on FVTPL		(4,838)	-	(4,838)	-	(4,838)	(4,838)
Revaluation reserve	(62,179)	-	-	(62,179)	(62,179)	-	(62,179)
	600,491	**58,814**	-	**659,305**	**360,487**	**172,953**	**533,440**
Fair value through other comprehensive incomereserve	**38,083**	**(180,009)**	-	**(141,926)**	**38,083**	**(180,009)**	**(141,926)**
Net deferred tax asset	**638,574**	**(121,195)**	-	**517,379**	**398,570**	**(7,056)**	**391,514**
	Group				**Parent Company**		
	At 1 Jan 2022	**Movement during the year**	**Pre- acquisition**	**As on 31 Dec 2022**	**At 1 Jan 2022**	**Movement during the year**	**As on 31 Dec 2022**
	RO	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**
2022							
Amortisation of goodwill	(45,111)	1,805	-	(43,306)	(45,111)	1,805	(43,306)
Provision for doubtful debts	496,539	66,031	157,837	720,407	496,539	56,800	553,339
Depreciation and revaluation of property and equipment	(14,809)	(50,028)	50,406	(14,431)	(34,279)	(53,088)	(87,367)
Revaluation reserve	**(62,179)**	-	-	**(62,179)**	**(62,179)**	-	**(62,179)**
	374,440	17,808	208,243	600,491	354,970	5,517	360,487
Fair value through other comprehensive incomereserve	(114,848)	152,931	-	38,083	(114,848)	152,931	38,083
Net deferred tax asset	**259,592**	**170,739**	**208,243**	**638,574**	**240,122**	**158,448**	**398,570**

Deferred tax asset / liability has been computed at the tax rate of 15% (2022: 15%).

33. Earnings Per Share - Basic & Diluted

Earnings per share are calculated by dividing the profit for the year attributable to equity holders of the Parent Company by the weighted average number of shares outstanding during the year as follows:

	Group and Parent Company	
	2023	2022
Profit for the year (RO)	**5,760,637**	3,296,674
Weighted average number of shares outstanding during the year	**398,374,342**	331,687,171
Basic earnings per share (RO)	**0.014**	0.010
Weighted average number of shares has been arrived at as given below :		
	2023	**2022**
398,354,342 shares for twelve months period from January to December 2023 (265,000,000 shares for six months period from January to June 2022)	**398,374,342**	132,500,000
398,354,342 shares for six months period from July to December 2022	-	199,187,171
Weighted average number of shares outstanding for the period January to December	**398,374,342**	331,687,171

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.

34. Related Party Transactions

These represent transactions with related parties defined in IAS 24- 'Related Party Disclosures' as well as defined under Ninth Principle: Rules for Related Party Transactions in Code of Corporate Governance for Public Listed Companies issued by CMA.

The Company is controlled by Oman International Development and Investment Company SAOG (OMINVEST), which owns 48.858% (2022: 48.858%) of the Company's shares. The Group has entered into these transactions with related parties which were made on the same terms, as those prevailing at the same time for comparable transactions with third parties.

*Other related parties includes List of any companies/ enterprises held by the director or his First Degree Relatives either jointly or severally at minimum of 25% of voting rights; as well as enterprises the director has the right to direct their resolutions or have significant control thereof.

Transactions with related parties of the Parent Company or holders of 10% or more of the Parent company's shares or their family members included in the separate and consolidated statements of profit or loss and other comprehensive income and separate and consolidated statement of financial position are as follows:

34.1 Group

Group	Total	Major Shareholders	Directors	Subsidiaries & Assoc.Of Major Shareholder	Key Senior Executives	Key Mgmt Personnel Of Major Shareholder	*Other Related Parties
2023	RO	RO	RO	RO	RO	RO	RO
Consolidated statement of profit or loss and other comprehensive income							
Gross insurance premium	9,228,527	5,309,754	-	2,038,542	-	-	1,880,231
Insurance claims expense	3,043,762	105,756	-	1,959,451	-	-	978,555
Interest income on deposits	2,498,841	955,964	-	659,950	-	-	882,927
Bonds Interest & Dividend Income	761,208	312,382	-	205,856	-	-	242,970
Reinsurance share of claims paid	49	-	-	49	-	-	-
Commission expense	798,026	256,667	-	68,604	-	-	472,755
Other expenses	2,042,508	338,895	51,033	1,241,689	-	-	410,891
Director sitting fees	49,500	-	49,500	-	-	-	-
Directors' remuneration	464,178	-	464,178	-	-	-	-
Other Transactions:							
Investment in Bonds	17,353,459	7,378,649	-	6,724,810	-	-	3,250,000
Maturity/liquidation of Bonds	39,737,863	7,055,368	-	18,932,495	-	-	13,750,000
Placement of Fixed Deposit	71,563,866	52,863,866	-	10,700,000	-	-	8,000,000
Maturity/liquidation offixed deposit	57,653,057	52,303,039	-	-	-	-	5,350,018
Increase in bank balances	2,180,219	-	-	1,637,055	-	-	543,164
Decrease in bank balances	294,957	234,867	-	60,090	-	-	-
Consolidated statement of financial position:							
Payable to Directors	398,149	98,149	300,000	-	-	-	-
Claims payable to related parties	3,702,370	2,245,124	-	1,338,317	-	-	118,929
Commission payable	190,539	-	-	3,836	-	-	186,703
Payable to related parties	14,803,517	12,381,265	-	2,419,178	-	-	3,074
Receivable from related parties	9,174,697	5,339	-	577,162	390	-	8,591,806
Short Term Loan payable	5,000,000	-	-	-	-	-	5,000,000
Long Term Loan payable	11,500,000	-	-	11,500,000	-	-	-
Bank balances	2,907,659	210,705	-	1,966,759	-	-	730,195
Fixed deposits balances	48,993,697	18,076,872	-	12,260,000	-	-	18,656,825
Insurance premium receivable from related parties	1,013,780	413,282	-	333,983	-	-	266,515
Investment in Subsidiaries	-	-	-	-	-	-	-
Investment in Bonds	7,872,820	5,163,449	-	1,959,371	-	-	750,000
Reinsurance balance receivable	11,329	-	-	11,329	-	-	-
Accrued interest receivable	1,618,759	340,756	-	381,022	-	-	896,981

34.1 Group (Continued)

Group	Total	Major Shareholders	Directors	Subsidiaries & Assoc.Of Major Shareholder	Key Senior Executives	Key Mgmt Personnel Of Major Shareholder	*Other Related Parties
2022	RO	RO	RO	RO	RO	RO	RO
Consolidated statement of profit or loss and other comprehensive income							
Gross insurance premium	11,887,100	9,143,085	-	2,183,928	-	-	560,087
Insurance claims expense	7,885,529	5,170,130	-	1,975,561	-	-	739,838
Interest income on deposits	2,273,082	389,015	-	1,107,823	-	-	776,244
Bonds Interest & Dividend Income	840,485	391,899	-	172,659	-	-	275,927
Reinsurance share of claims paid	3,201	-	-	3,201	-	-	-
Commission expense	1,114,115	664,690	-	152,349	-	-	297,076
Other expenses	2,141,195	-	-	1,992,406	-	-	148,789
Director sitting fees (of Parent Company)	36,299	-	32,922	-	3,377	-	-
Directors' remuneration	214,680	-	214,680	-	-	-	-
Other Transactions:							
Short Term Loan (Net of repayments)	11,500,000	-	-	6,500,000	-	-	5,000,000
Long Term Loan repayment	63,560,600	-	-	63,560,600	-	-	-
Investment in Bonds	4,790,800	-	-	-	-	-	4,790,800
Placement of Fixed Deposit	39,711,616	37,406,616	-	2,305,000	-	-	-
Maturity/liquidation offixed deposit	49,942,590	45,527,590	-	4,415,000	-	-	-
Increase in bank balances	47,703	6,776	-	-	-	-	40,927
Decrease in bank balances	563,727	-	-	563,727	-	-	-
Consolidated statement of financial position:							
Payable to Directors	222,813	64,680	156,948	-	1,185	-	-
Claims payable to related parties	8,860,631	7,894,114	-	858,182	-	-	108,335
Commission payable	812,639	664,517	-	9,542	-	-	138,580
Short Term Loan payable	14,500,000	-	-	9,500,000	-	-	5,000,000
Long Term Loan payable	63,560,600	-	-	63,560,600	-	-	-
Payable to related parties	1,686,618	1,672,440	-	14,178	-	-	-
Receivable from related parties	1,572,827	1,437	-	1,554,936	16,454	-	-
Bank balances	996,274	445,572	-	509,775	-	-	40,927
Fixed deposits balances	59,115,068	29,559,268	-	16,015,000	-	-	13,540,800
Insurance premium receivable from related parties	2,021,465	1,280,815	-	522,558	-	-	218,092
Investment in Bonds	7,945,548	5,245,368	-	2,700,180	-	-	-
Reinsurance balance receivable	11,280	-	-	11,280	-	-	-
Accrued interest receivable	696,234	80,970	-	345,906	-	-	269,358

34.1 Parent Company

Parent Company	Total	Major Shareholders	Directors	Subsidiaries & Assoc.Of Major Shareholder	Key Senior Executives	Key Mgmt Personnel Of Major Shareholder	*Other Related Parties
2023	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**
Separate statement of profit or loss and other comprehensive income							
Gross insurance premium	2,832,619	500	-	1,622,363	-	-	1,209,756
Insurance claims expense	2,368,901	19,986	-	1,586,903	-	-	762,012
Interest income on deposits	823,054	-	-	517,261	-	-	305,793
Bonds Interest & Dividend Income	501,489	221,935	-	129,811	-	-	149,743
Reinsurance share of claims paid	49	-	-	49	-	-	-
Commission expense	437,498	-	-	62,803	-	-	374,695
Other expenses	421,234	-	-	110,514	-	-	310,720
Director sitting fees	26,500	-	26,500	-	-	-	-
Directors' remuneration	300,000	-	300,000	-	-	-	-
Investment in Bonds	5,352,315	1,810,000	-	3,542,315	-	-	-
Maturity/liquidation of Bonds	35,992,863	7,055,368	-	17,687,495	-	-	11,250,000
Maturity/liquidation offixed deposit	750,000	-	-	-	-	-	750,000
Increase in bank balances	1,751,934	-	-	1,637,055	-	-	114,879
Separate statement of financial position:							
Payable to Directors	300,000	-	300,000	-	-	-	-
Payable to related parties	2,478	-	-	2,478	-	-	-
Receivable from related parties	227,302	-	-	226,912	390	-	-
Short term loan payable	5,000,000	-	-	-	-	-	5,000,000
Long term loan payable	11,500,000	-	-	11,500,000	-	-	-
Bank balances	1,980,621	-	-	1,906,669	-	-	73,952
Fixed deposits balances	1,560,000	-	-	1,560,000	-	-	-
Insurance premiumreceivable from related parties	2,769	2,769	-	-	-	-	-
Accrued interest receivable	19,706	-	-	19,706	-	-	-

During January to December 2023, subsidiary in India (NSSPL) has charged the parent company service fees of RO 854,568. The Parent Company has accounted NSSPL Share of Profit from subsidiary of RO 84,258. Carrying value of investment as on 31.12.2023is RO 462,865 and due to NSSPL as at 31.12.2023 is RO 188,847.

The Parent Company has accounted Liva Insurance BSC (c) formerly RSA Share of profit from subsidiary of RO 7,672,803(pertaining to equity holders of the Parent Company). Carrying value of investment as on 31.12.2023 is RO 106,028,145and due to RSA as at 31.12.2023 is RO 3,989,489 and dividend received from RSA ME is3,850,000.

The Parent Company has accounted share of profit for Liva Insurance SAOC formerly Al Ahlia Insurance Co. SAOG (Al Ahlia) of RO 2,459,958. Carrying value of investment as on 31.12.2023 is RO 38,332,746 . Due from liva Insurance SAOC as at 31.12.2023 is RO 16,674,014 and dividend received from AL Ahlia is RO 1,377,500.

During January to December 2023, subsidiary - Inayah TPA LLC in UAE has charged the parent company service fees of RO 732,410 and paid rental of RO 31,856. The Parent Company has accounted Inayah Share of Profit from subsidiary of RO 34,877. Carrying value of investment as on 31.12.2023 is RO 692,278 , it's related intangibles are RO 261,268 and due to Inayah TPA LLC as at 31.12.2023 is RO 632,422.

Transactions with related parties of the Parent Company or holders of 10% or more of the Parent company's shares or their family members included in the consolidated statements of profit or loss and other comprehensive income and consolidated statement of financial position are as follows

34 Related Party Transactions (Continued)

Parent Company (Continued) 2022	Total RO	Major Shareholders RO	Directors RO	Subsidiaries & Assoc.Of Major Shareholder RO	Key Senior Executives RO	Key Mgmt Personnel Of Major Shareholder RO
Separate statement of profit or loss and other comprehensive income						
Gross insurance premium	2,868,476	150,942	-	2,183,928	-	-
Insurance claims expense	2,499,451	64,642	-	1,975,561	-	-
Interest income on deposits	1,510,083	-	-	733,839	-	-
Bonds Interest & Dividend Income	840,485	391,899	-	172,659	-	-
Reinsurance share of claims paid	3,201	-	-	3,201	-	-
Commission expense	445,345	-	-	152,349	-	-
Other expenses	2,095,426	-	-	1,959,071	-	-
Director sitting fees (of Parent Company)	36,299	-	32,922	-	3,377	-
Directors' remuneration	150,000	-	150,000	-	-	-
Other Transactions:						
Short Term Loan (Net of repayments)	11,500,000	-	-	6,500,000	-	-
Long Term Loan repayment	63,560,600	-		63,560,600		
Investment in Bonds	4,790,800	-	-	-	-	-
Placement of Fixed Deposit	2,305,000	-		2,305,000	-	-
Maturity/liquidation offixed deposit	4,415,000	-	-	4,415,000	-	-
Increase in bank balances	40,927	-	-	-	-	-
Decrease in bank balances	563,727	-	-	563,727	-	-

Parent Company (Continued) 2022	Total RO	Major Shareholders RO	Directors RO	Subsidiaries & Assoc.Of Major Shareholder RO	Key Senior Executives RO	Key Mgmt Personnel Of Major Shareholder RO	*Other Related Parties RO
Separate statement of financial position:							
Payable to Directors	158,133	-	156,948	-	1,185	-	-
Claims payable to related parties	973,271	6,754	-	858,182	-	-	108,335
Commission payable	148,122	-	-	9,542	-	-	138,580
Short Term Loan payable	14,500,000	-	-	9,500,000	-	-	5,000,000
Long Term Loan payable	63,560,600	-	-	63,560,600	-	-	-
Payable to related parties	14,178	-	-	14,178	-	-	-
Receivable from related parties	1,571,390	-	-	1,554,936	16,454	-	-
Bank balances	550,702	-	-	509,775	-	-	40,927
Fixed deposits balances	29,555,800	-	-	16,015,000	-	-	13,540,800
Insurance premiumreceivable from related parties	769,901	29,251	-	522,558	-	-	218,092
Investment in Bonds	7,945,548	5,245,368	-	2,700,180	-	-	-
Reinsurance balance receivable	11,280	-	-	11,280	-	-	-
Accrued interest receivable	645,037	29,773	-	345,906	-	-	269,358

During January to December 2022, subsidiary in India (NSSPL) has charged the parent company service fees of RO 739,890. The Parent Company has accounted NSSPL Share of Profit from subsidiary of RO 78,015. Carrying value of investment as on 30.09.2022 is RO 382,737 and due to NSSPL as at 31.12.2022 is RO 34,680.

During January to December 2022, subsidiary - Inayah TPA LLC in UAE has charged the parent company service fees of RO 752,811 and paid rental of RO 25,916. The Parent Company has accounted Inayah Share of Profit from subsidiary of RO 35,848. Carrying value of investment as on 31.12.2022 is RO 657,401 , it's related intangibles are RO 278,968 and due to Inayah TPA LLC as at 31.12.2022 is RO 209,980.

The Parent Company has accounted Liva Insurance BSC (c) formerly RSA Share of Profit from subsidiary of RO 1,591,765 (Excluding Minority share). Carrying value of investment as on 31.12.2022 is RO 98,384,127 (Restated as per IFRS 17) and due to RSA is RO 1,555,370."

The Parent Company has accounted Carrying Value ofLiva Insurance SAOC formerly Al Ahlia Insurance Co. SAOG (Al Ahlia) as on 31.12.2022 is RO 22,135,000.

34.2 Compensation Of Key Management Personnel

The remuneration of members of key management personnel during the year (salaries, incentives, fees, allowances and other statutory payments) was as follows:

	Group		Parent Company	
	2023	2022	2023	2022
	RO	RO	RO	RO
Short-term benefits	**1,491,226**	2,688,064	**577,138**	1,464,739
Employees' end of service benefits & leave salary accrual	**392,766**	284,470	**195,174**	137,033
	1,883,992	2,972,534	**772,312**	1,601,772
Number of key management personnel	**6**	17	**2**	8

Outstanding balances at the year end arise in the normal course of business.

35. Operating Segment

The Group's operating businesses are organised and managed separately according to the nature of the activities and services provided, with each segment representing a strategic business unit that offers different services.

The following table presents insurance revenue and profit information and asset and liability information regarding business segments for the year ended 31 December 2023 and 2022.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that have been allocated on a reasonable basis.

Primary Reporting Format - Business Segments

2023	Group				Parent Company		
	Life	General	Adjustments and eliminations	Total	Life	General	Total
	RO	RO	RO	RO	RO	RO	RO
Insurance revenue	163,598,483	147,158,260	-	310,756,743	146,796,801	12,245,026	159,041,827
Insurance service expense	(158,933,718)	(120,273,516)	-	(279,207,234)	(146,169,328)	(13,205,506)	(159,374,834)
Insurance service result before reinsurance contracts held	**4,664,765**	**26,884,744**	-	**31,549,509**	**627,473**	**(960,480)**	**(333,007)**
Allocation of reinsurance premiums	(30,638,194)	(20,721,441)	-	(51,359,635)	(26,719,502)	(847,600)	(27,567,102)
Amounts recoverable from reinsurers for incurred claims	26,709,882	2,143,089	-	28,852,971	25,577,728	388,016	25,965,744
Net expense from reinsurance contracts held	**(3,928,312)**	**(18,578,352)**	-	**(22,506,664)**	**(1,141,774)**	**(459,584)**	**(1,601,358)**
Insurance service result	**736,453**	**8,306,392**	-	**9,042,845**	**(514,301)**	**(1,420,064)**	**(1,934,365)**
Investment income - net	4,165,622	8,656,319	-	12,821,941	3,387,231	1,280,404	4,667,635
Share of Profit from Subsidiaries	119,135	10,132,761	(10,251,896)	-	119,135	10,132,761	10,251,896
Expected credit losses on financial assets	42,532	8,647	-	51,179	(2,804)	(12,165)	(14,969)
Total investment income	**4,327,289**	**18,797,727**	**(10,251,896)**	**12,873,120**	**3,503,562**	**11,401,000**	**14,904,562**
Insurance finance expenses for insurance contracts issued	(1,695,615)	(1,714,087)	-	(3,409,702)	(1,090,131)	(361,770)	(1,451,901)
Reinsurance finance income for reinsurance contracts held	644,811	546,865	-	1,191,676	307,790	50,548	358,338
Net financial result	**(1,050,804)**	**(1,167,222)**	-	**(2,218,026)**	**(782,341)**	**(311,222)**	**(1,093,563)**
Other operating income – net	2,894,862	1,889,577	(31,856)	4,752,583	2,859,188	1,423	2,860,611
Finance Cost	(1,442,805)	(3,006,358)	-	(4,449,163)	(1,442,805)	(2,949,010)	(4,391,815)
Non Attributable Expenses	(4,980,123)	(8,037,689)	517,575	(12,500,237)	(4,260,796)	(496,950)	(4,757,746)
(Loss) / profit before tax	**484,872**	**16,782,427**	**(9,766,177)**	**7,501,122**	**(637,493)**	**6,225,177**	**5,587,684**
Income tax	139,478	(1,264,091)	-	(1,124,613)	172,953	-	172,953
(Loss) / profit for the period	**624,350**	**15,518,336**	**(9,766,177)**	**6,376,509**	**(464,540)**	**6,225,177**	**5,760,637**
Segment assets	**122,684,348**	**438,626,735**	**(162,947,262)**	**398,363,821**	**87,531,021**	**144,423,742**	**231,954,763**
Segment liabilities	**138,513,184**	**163,491,970**	**(28,216,032)**	**273,789,122**	**54,160,340**	**67,806,010**	**121,966,350**

Primary Reporting Format - Business Segments (Continued)

	Group				Parent Company		
2022	**Life**	**General**	**Adjustments and eliminations**	**Total**	**Life**	**General**	**Total**
	RO	RO	RO	RO	RO	RO	RO
Insurance revenue	142,651,939	74,327,121	-	216,979,060	138,959,323	19,741,795	158,701,118
Insurance service expense	(135,566,771)	(68,778,615)	-	(204,345,386)	(132,092,647)	(22,491,845)	(154,584,492)
Insurance service result before reinsurance contracts held	**7,085,168**	**5,548,506**	-	**12,633,674**	**6,866,676**	**(2,750,050)**	**4,116,626**
Allocation of reinsurance premiums	(22,998,367)	(10,392,489)	-	(33,390,856)	(20,199,786)	(1,247,974)	(21,447,760)
Amounts recoverable from reinsurers for incurred claims	22,877,481	3,359,133	-	26,236,614	20,180,450	495,166	20,675,616
Net expense from reinsurance contracts held	(120,886)	(7,033,356)	-	(7,154,242)	(19,336)	(752,808)	(772,144)
Insurance service result	**6,964,282**	**(1,484,850)**	-	**5,479,432**	**6,847,340**	**(3,502,858)**	**3,344,482**
Investment income - net	3,265,162	3,523,086	-	6,788,248	3,265,162	1,431,736	4,696,898
Share of Profit from Subsidiaries	113,863	1,862,760	(1,976,623)	-	113,863	1,862,760	1,976,623
Expected credit losses on financial assets	2,210	(14,772)	-	(12,562)	2,210	(14,772)	(12,562)
Total investment income	**3,381,235**	**5,371,074**	**(1,976,623)**	**6,775,686**	**3,381,235**	**3,279,724**	**6,660,959**
Insurance finance expenses for insurance contracts issued	(772,233)	(309,076)	-	(1,081,309)	(726,869)	(102,025)	(828,894)
Reinsurance finance income for reinsurance contracts held	228,692	149,007	-	377,699	186,388	38,724	225,112
Net financial result	**(543,541)**	**(160,069)**	-	**(703,610)**	**(540,481)**	**(63,301)**	**(603,782)**
Other operating income – net	114,353	146,625	(25,916)	235,062	114,354	(9,047)	105,307
Finance Cost	-	(1,579,248)	-	(1,579,248)	-	(1,579,248)	(1,579,248)
Non Attributable Expenses	(3,470,544)	(2,760,425)	25,916	(6,205,053)	(3,615,692)	(734,556)	(4,350,248)
(Loss) / profit before tax	**6,445,785**	**(466,893)**	**(1,976,623)**	**4,002,269**	**6,186,756**	**(2,609,286)**	**3,577,470**
Income tax	(311,985)	(609,309)	-	(921,294)	(280,700)	(96)	(280,796)
(Loss) / profit for the period	**6,133,800**	**(1,076,202)**	**(1,976,623)**	**3,080,975**	**5,906,056**	**(2,609,382)**	**3,296,674**
Segment assets	**116,977,783**	**380,729,671**	**(109,651,772)**	**388,055,682**	**115,416,358**	**155,091,452**	**270,507,810**
Segment liabilities	**72,096,947**	**199,138,584**	**(255,382)**	**270,980,149**	**65,010,060**	**102,403,088**	**167,413,148**

Primary Reporting Format - Geographic Information - Group (Continued)

The Group has operations in five major geographic locations in Middle East - Oman, UAE, Kuwait, Saudi Arabia and Bahrain. The businesses are organised and managed separately, with each segment representing a strategic business unit.

The following table presents insurance revenue and profit information and asset & liability information regarding business segments for the year ended 31 December 2023 & 2022.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that have been allocated on a reasonable basis.

2023	Oman	UAE	Kuwait	Saudi Arabia	Bahrain	Subsidiaries	Adjustments & eliminations	Total
	RO	RO	RO	RO	RO	RO	RO	RO
Insurance revenue	84,121,292	165,812,622	6,202,112	52,732,616	1,888,101	-	-	310,756,743
Insurance service expense	(73,241,611)	(153,741,661)	(6,290,090)	(44,437,251)	(1,496,621)	-	-	(279,207,234)
Insurance service result before reinsurance contracts held	**10,879,681**	**12,070,961**	**(87,978)**	**8,295,365**	**391,480**	**-**	**-**	**31,549,509**
Allocation of reinsurance premiums	(8,133,719)	(31,762,120)	(881,926)	(10,441,922)	(139,948)	-	-	(51,359,635)
Amounts recoverable from reinsurers for incurred claims	1,532,866	24,782,138	1,005,908	1,542,027	(9,968)	-	-	28,852,971
Net expense from reinsurance contracts held	**(6,600,853)**	**(6,979,982)**	**123,982**	**(8,899,895)**	**(149,916)**	**-**	**-**	**(22,506,664)**
Insurance service result	**4,278,828**	**5,090,979**	**36,004**	**(604,530)**	**241,564**	**-**	**-**	**9,042,845**
Investment income - net	6,615,880	3,376,213	205,086	2,559,561	65,201	-	-	12,821,941
Share of Profit from Subsidiaries	10,251,896	-	-	-	-	-	(10,251,896)	-
Expected credit losses on financial assets	51,601	322	(744)	-	-	-	-	51,179
Total investment income	**16,919,377**	**3,376,535**	**204,342**	**2,559,561**	**65,201**	**-**	**(10,251,896)**	**12,873,120**
Insurance finance expenses for insurance contracts issued	(1,868,112)	(771,145)	(26,614)	(721,163)	(22,668)	-	-	(3,409,702)
Reinsurance finance income for reinsurance contracts held	413,352	417,403	5,209	355,300	412	-	-	1,191,676
Net financial result	**(1,454,760)**	**(353,742)**	**(21,405)**	**(365,863)**	**(22,256)**	**-**	**-**	**(2,218,026)**
Other operating income - net	(80,112)	2,872,912	522	1,991,117	-	-	(31,856)	4,752,583
Finance cost	(4,419,524)	(11,804)	(12,484)	-	(5,351)	-	-	(4,449,163)
Non Attributable Expenses	(4,830,161)	(6,080,467)	(324,953)	(1,713,486)	(221,355)	152,610	517,575	(12,500,237)
(Loss)/profit before tax	**10,413,648**	**4,894,413**	**(117,974)**	**1,866,799**	**57,803**	**152,610**	**(9,766,177)**	**7,501,122**
Income tax	(457,815)	-	-	(633,323)	-	(33,475)	-	(1,124,613)
(Loss)/profit for the period	**9,955,833**	**4,894,413**	**(117,974)**	**1,233,476**	**57,803**	**119,135**	**(9,766,177)**	**6,376,509**
Segment assets	**337,725,146**	**133,036,305**	**342,283**	**85,723,555**	**2,827,957**	**1,655,837**	**(162,947,262)**	**398,363,821**
Segment liabilities	**191,936,220**	**58,773,747**	**2,116,095**	**45,900,639**	**2,777,777**	**500,676**	**(28,216,032)**	**273,789,122**

Primary reporting format - Geographic Information - Group (Continued)

2022	Oman	UAE	Kuwait	Saudi Arabia	Bahrain	Subsidiaries	Adjustments and eliminations	Total
	RO	RO	RO	RO	RO	RO	RO	RO
Insurance revenue	78,079,473	111,351,404	6,111,405	20,471,716	965,062	-	-	216,979,060
Insurance service expense	(72,252,981)	(105,323,037)	(6,481,810)	(19,730,842)	(556,716)	-	-	(204,345,386)
Insurance service result before reinsurance contracts held	**5,826,492**	**6,028,367**	**(370,405)**	**740,874**	**408,346**	**-**	**-**	**12,633,674**
Allocation of reinsurance premiums	(5,853,501)	(20,032,252)	(133,985)	(7,297,135)	(73,983)	-	-	(33,390,856)
Amounts recoverable from reinsurers for incurred claims	2,546,791	19,611,216	294,473	3,784,345	(211)	-	-	26,236,614
Net expense from reinsurance contracts held	**(3,306,710)**	**(421,036)**	**160,488**	**(3,512,790)**	**(74,194)**	**-**	**-**	**(7,154,242)**
Insurance service result	**2,519,782**	**5,607,331**	**(209,917)**	**(2,771,916)**	**334,152**	**-**	**-**	**5,479,432**
Investment income - net	4,782,105	1,284,374	(113,857)	810,427	25,199	-	-	6,788,248
Share of Profit from Subsidiaries	1,976,623	-	-	-	-	-	(1,976,623)	-
Expected credit losses on financial assets	(21,381)	10,257	(1,438)	-	-	-	-	(12,562)
Total investment income	**6,737,347**	**1,294,631**	**(115,295)**	**810,427**	**25,199**	**-**	**(1,976,623)**	**6,775,686**
Insurance finance expenses for insurance contracts issued	(862,742)	(76,569)	(12,054)	(123,287)	(6,657)	-	-	(1,081,309)
Reinsurance finance income for reinsurance contracts held	233,478	30,150	1,739	112,199	133	-	-	377,699
Net financial result	**(629,264)**	**(46,419)**	**(10,315)**	**(11,088)**	**(6,524)**	**-**	**-**	**(703,610)**
Other operating income - net	181,437	88,178	(8,637)	-	-	-	(25,916)	235,062
Finance cost	(1,579,248)	-	-	-	-	-	-	(1,579,248)
Non Attributable Expenses	(4,064,607)	(3,016,132)	(174,295)	985,999	(107,082)	145,148	25,916	(6,205,053)
(Loss)/profit before tax	**3,165,447**	**3,927,589**	**(518,459)**	**(986,578)**	**245,745**	**145,148**	**(1,976,623)**	**4,002,269**
Income tax	(445,700)	-	(96)	(444,213)	-	(31,285)	-	(921,294)
Profit for the year	**2,719,747**	**3,927,589**	**(518,555)**	**(1,430,791)**	**245,745**	**113,863**	**(1,976,623)**	**3,080,975**
Segment assets	**280,356,466**	**123,762,469**	**7,410,701**	**81,566,433**	**3,209,933**	**1,401,452**	**(109,651,772)**	**388,055,682**
Segment liabilities	**161,437,748**	**56,893,247**	**2,911,796**	**46,822,342**	**2,809,084**	**361,314**	**(255,382)**	**270,980,149**

Primary Reporting Format - Geographic Information - Parent Company

2023	Oman	UAE	Kuwait	Total
	RO	RO	RO	RO
Insurance revenue	47,524,825	106,850,324	4,666,678	159,041,827
Insurance service expense	(45,963,457)	(108,921,065)	(4,490,312)	(159,374,834)
Insurance service result before reinsurance contracts held	**1,561,368**	**(2,070,741)**	**176,366**	**(333,007)**
Allocation of reinsurance premiums	(2,965,326)	(24,048,648)	(553,128)	(27,567,102)
Amounts recoverable from reinsurers for incurred claims	1,773,485	23,649,333	542,926	25,965,744
Net expense from reinsurance contracts held	**(1,191,841)**	**(399,315)**	**(10,202)**	**(1,601,358)**
Insurance service result	**369,527**	**(2,470,056)**	**166,164**	**(1,934,365)**
Investment income - net	2,961,869	1,575,051	130,715	4,667,635
Share of Profit from Subsidiaries	10,251,896	-	-	10,251,896
Expected credit losses on financial assets	(22,152)	7,943	(760)	(14,969)
Total investment income	**13,191,613**	**1,582,994**	**129,955**	**14,904,562**
Insurance finance expenses for insurance contracts issued	(1,039,237)	(389,075)	(23,589)	(1,451,901)
Reinsurance finance income for reinsurance contracts held	179,288	174,151	4,899	358,338
Net financial result	**(859,949)**	**(214,924)**	**(18,690)**	**(1,093,563)**
Other operating income - net	(12,727)	2,872,912	426	2,860,611
Finance cost	(4,379,331)	-	(12,484)	(4,391,815)
Non Attributable Expenses	(2,663,192)	(1,912,219)	(182,335)	(4,757,746)
(Loss)/profit before tax	**5,645,941**	**(141,293)**	**83,036**	**5,587,684**
Income tax	172,953	-	-	172,953
Profit for the year	**5,818,894**	**(141,293)**	**83,036**	**5,760,637**
Segment assets	**175,750,090**	**56,204,673**	-	**231,954,763**
Segment liabilities	**85,695,903**	**36,270,447**	-	**121,966,350**

2022	Oman	UAE	Kuwait	Total
	RO	RO	RO	RO
Insurance revenue	67,392,880	85,196,833	6,111,405	158,701,118
Insurance service expense	(65,007,052)	(83,095,630)	(6,481,810)	(154,584,492)
Insurance service result before reinsurance contracts held	**2,385,828**	**2,101,203**	**(370,405)**	**4,116,626**
Allocation of reinsurance premiums	(4,155,049)	(17,158,726)	(133,985)	(21,447,760)
Amounts recoverable from reinsurers for incurred claims	2,681,271	17,699,872	294,473	20,675,616
Net expense from reinsurance contracts held	**(1,473,778)**	**541,146**	**160,488**	**(772,144)**
Insurance service result	**912,050**	**2,642,349**	**(209,917)**	**3,344,482**
Investment income - net	4,031,711	779,044	(113,857)	4,696,898
Share of Profit from Subsidiaries	1,976,623	-	-	1,976,623
Expected credit losses on financial assets	(21,381)	10,257	(1,438)	(12,562)
Total investment income	**5,986,953**	**789,301**	**(115,295)**	**6,660,959**
Insurance finance expenses for insurance contracts issued	(716,628)	(100,212)	(12,054)	(828,894)
Reinsurance finance income for reinsurance contracts held	173,689	49,684	1,739	225,112
Net financial result	**(542,939)**	**(50,528)**	**(10,315)**	**(603,782)**
Other operating income - net	25,766	88,178	(8,637)	105,307
Finance cost	(1,579,248)	-	-	(1,579,248)
Non Attributable Expenses	(2,852,014)	(1,323,939)	(174,295)	(4,350,248)
(Loss)/profit before tax	**1,950,568**	**2,145,361**	**(518,459)**	**3,577,470**
Income tax	(280,700)	-	(96)	(280,796)
Profit for the year	**1,669,868**	**2,145,361**	**(518,555)**	**3,296,674**
Segment assets	**215,457,536**	**47,639,573**	**7,410,701**	**270,507,810**
Segment liabilities	**134,276,611**	**30,224,741**	**2,911,796**	**167,413,148**

36. Risk Management

36.1 Underwriting & Financial Risk Management

Risk taking is integral to the business model of theGroup. TheGroup has developed and implemented a risk management structure that is designed to identify, assess, control and monitor the risks associated with its business. Adhering to this structure, theGroup aims to meet its obligations to policyholders and other customers and creditors, manage its capital efficiently and comply with applicable laws and regulations.

The Group's Board and Audit & Controls Committee has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board and Audit & Controls Committee is responsible for defining, installing and monitoring the risk management organisation in order to ensure its control systems are effective. The Board and Audit & Controls Committee approves all risk management policies as well as the quantitative and qualitative elements of theGroup's risk appetite and tolerance framework.

The Group manages its assets and liabilities within an ALM framework that has been developed to achieve long-term investment returns in excess of its obligations under insurance and investment contracts. Within the ALM framework, theGroup periodically produces reports at operating segment and product levels that are circulated to theGroup's key management personnel. The principal technique of the Group's ALM is to match assets to liabilities arising from insurance and investment contracts by product line.

The Group's ALM is integrated with the management of the financial risks associated with theGroup's other classes of financial assets and liabilities not directly associated with insurance and investment contract liabilities.

The following tables reconcile the consolidated balance sheet to the investment classes and product lines used in the Group's ALM framework:

Group	2023			2022		
	Life	General	Total	Life	General	Total
	RO	RO	RO	RO	RO	RO
Investments						
Cash and cash equivalents	**13,998,011**	**40,005,284**	**54,003,295**	17,278,323	30,647,519	47,925,842
Government bonds & Corporate bonds	**20,494,284**	**88,756,098**	**109,250,382**	33,083,774	67,072,975	100,156,749
Bank deposits	**37,731,113**	**85,022,041**	**122,753,154**	30,428,417	116,960,723	147,389,140
Equity securities	**7,060,225**	**7,357,525**	**14,417,750**	6,571,771	263,774	6,835,545
Total investment assets & cash and cash equivalents	**79,283,633**	**221,140,948**	**300,424,581**	87,362,285	214,944,991	302,307,276
Insurancecontract balances						
Insurance contract assets	-	**889,696**	**889,696**	-	251,789	251,789
Reinsurance contract assets	**9,140,718**	**19,532,253**	**28,672,971**	10,138,107	14,067,583	24,205,690
Insurance contract liabilities	**(93,925,611)**	**(54,669,397)**	**(148,595,008)**	(62,542,957)	(89,730,219)	(152,273,176)
Reinsurance contract liabilities	**(1,163,766)**	**(12,035,894)**	**(13,199,660)**	(420,100)	(5,503,325)	(5,923,425)
Total insurancecontract balances	**(85,948,659)**	**(46,283,342)**	**(132,232,001)**	(52,824,950)	(80,914,172)	(133,739,122)
Other assets and liabilities						
Other assets	**(128,687,265)**	**197,063,838**	**68,376,573**	20,126,775	41,164,152	61,290,927
Other liabilities	**(11,307,775)**	**(28,980,669)**	**(40,288,444)**	(8,772,613)	(26,916,961)	(35,689,574)
Term Loan	**(3,900,000)**	**(67,806,010)**	**(71,706,010)**	-	(77,093,974)	(77,093,974)
Total other assets & liabilities	**(143,895,040)**	**100,277,159**	**(43,617,881)**	11,354,162	(62,846,783)	(51,492,621)

36.1 Underwriting & Financial Risk Management (Continued)

Parent Company	2023			2022		
	Life	General	Total	Life	General	Total
	RO	RO	RO	RO	RO	RO
Investments						
Cash & cash equivalents	**11,285,718**	-	**11,285,718**	17,278,323	2,353,334	19,631,657
Government bonds & Corporate bonds	**20,494,284**	-	**20,494,284**	33,083,774	16,720,461	49,804,235
Bank deposits	**19,173,355**	-	**19,173,355**	30,428,417	11,715,100	42,143,517
Equity securities	**7,060,225**	**62,851**	**7,123,076**	6,571,771	-	6,571,771
Total investment assets & cash & cash equivalents	**58,013,582**	**62,851**	**58,076,433**	87,362,285	30,788,895	118,151,180
Insurance contract balances						
Insurance contract assets	-	-	-	-	73,110	73,110
Reinsurance contract assets	**1,716,205**	-	**1,716,205**	7,927,298	1,180,460	9,107,758
Insurance contract liabilities	**(32,879,639)**	-	**(32,879,639)**	(55,869,350)	(21,106,182)	(76,975,532)
Reinsurance contract liabilities	**(978,509)**	-	**(978,509)**	(368,097)	(132,048)	(500,145)
Total insurance contract balances	**(32,141,943)**	-	**(32,141,943)**	(48,310,149)	(19,984,660)	(68,294,809)
Other assets and liabilities						
Other assets	**27,801,234**	**144,360,891**	**172,162,125**	20,126,775	123,048,987	143,175,762
Other current liabilities	**(16,402,192)**	-	**(16,402,192)**	(8,772,613)	(4,070,884)	(12,843,497)
Term Loan	**(3,900,000)**	**(67,806,010)**	**(71,706,010)**	-	(77,093,974)	(77,093,974)
Total other assets & liabilities	**7,499,042**	**76,554,881**	**84,053,923**	11,354,162	41,884,129	53,238,291

36.1.1 Underwriting Risk Management

Underwriting risk comprises insurance risk, policyholder persistency risk and expense risk. The Group manages its underwriting risk based on the underwriting policy as approved by the Board and Audit & Controls Committee. The Risk Management team monitors the adequate application of the policy and reviews the trends in pricing, loss ratios and underwriting risks. The Risk Management team is also involved in decisions made by the Board and Audit & Controls Committee on underwriting, pricing and market strategy.

The risk under insurance contracts is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random; however, it can be predicted with a certain disclosed level of reliability.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance contract liabilities. This could occur because the frequency or severity of claims and benefits or the amount of future expenses are greater than estimated. Insurance events are random, and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques. The goal of the statistical methods is to minimise the deviation of actual figures from the expected figures.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability of the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected by a change in any subset of the portfolio. The Group has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and to achieve a sufficiently large population of risks within each of these categories to reduce the variability of the expected outcome.

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk covered.

(b) Sources of uncertainty in the estimation of future benefit payments and premium receipts

Uncertainty in the estimation of future benefit payments and premium receipts for long-term insurance contracts arises from the unpredictability of long-term changes in overall levels of mortality and the variability in contract holder behavior especially with respect to continued payment of premiums. The Group uses international mortality tables or reinsurance risk premium rates as estimates of mortality, given the absence of any published tables for insured lives in Oman.

In carrying out the liability adequacy test the Group uses estimates of the pattern of discontinuance of policies based on its experience in the past. The Group regularly measures and monitors the pattern of lapses and persistency.

Short-duration life insurance contracts

(a) Frequency and severity of claims

These contracts are mainly issued to:

- Employers, providing cover against death, disability or (in the case of group medical policies) health of their employees.
- Financial institutions, providing cover against death of their borrowers.

In the case of group life contracts issued to employers, the risk is affected by the nature of the industry in which the employer operates. The risk of death and disability will vary by industry. Undue concentration of risk by industry will therefore increase the risk of a change in the underlying average mortality or morbidity of employees in a given industry, with significant effects on the overall insurance risk.

For short term group life and group credit life contracts the Group guarantees the premium rate for a period of one year and has a right to change these rates thereafter. In such contracts it therefore minimises its exposure to mortality risk. Mortality risk includes risk of death due to epidemics such as Covid-19.

(a) Frequency and severity of claims

Insurance risk under disability contracts is also dependent on economic conditions in the industry. Historical data indicates that recession and unemployment in an industry will increase the number of claims for disability benefits as well as reducing the rate of recovery from disability.

The Group attempts to manage this risk through its underwriting, claims handling and reinsurance policy.

Long-Term Insurance Contracts (Individual Life & Credit Life Portfolios)

(a) Frequency and severity of claims

For contracts where death is the insured risk, the most significant factors that could increase the overall frequency of claims are epidemics or widespread changes in lifestyle, such as eating, smoking and exercise habits, resulting in earlier or more claims than expected. Given that the Group's portfolio is small, large individual claims may also significantly impact the gross loss ratio.

At present, these risks do not vary significantly in relation to the location of the risk insured by the Group. However, undue concentration by amounts could have an impact on the severity of benefit payments on a portfolio basis. For contracts with fixed and guaranteed benefits and fixed future premiums, there are no mitigating terms and conditions that reduce the insurance risk accepted.

The Group also manages mortality and disability risks through its underwriting strategy and reinsurance arrangements. The underwriting strategy is intended to ensure that the risks underwritten are well diversified in terms of type of risk and the level of insured benefits. Medical selection is also included in the Group's underwriting procedures with premiums varied to reflect the health condition and family medical history of the applicants.

(b) Sources of uncertainty in the estimation of future claim payments

Other than for the testing of the adequacy of the liability representing the unexpired risk at the reporting date, there is no need to estimate mortality rates or morbidity rates for future years because these contracts have short duration.

Underwriting Risk Management - Health & General Insurance

The frequency and severity of claims can be affected by several factors. The most significant are the level of awards for morbidity risk (e.g. health recovery and incapacity for work) and the number of cases coming to court, especially for bodily injuries. This can be summarised as legislation risk. The amount of awards and the time for court settlement is set by the legislation. The above risk exposure is mitigated by diversification across a large portfolio of insurance contracts.

TheGroup manages these risks through its underwriting strategy (two of the techniques that are pivotal for automobile insurance are product pricing and portfolio segmentation), adequate reinsurance arrangements and proactive claims handling. The objective of the underwriting strategy is to ensure that the underwritten risks are well diversified in terms of type and amount of risk. The variability of risks is improved by the careful selection and implementation of underwriting strategies, which are designed to ensure that risks are diversified in terms of type of risk and level of insured benefits.

The Group has limited its exposure by imposing maximum claim amounts on certain contracts as well as using reinsurance arrangements in order to limit its exposure to aggregate amount of claims (e.g. third party liability claims). The effect of such reinsurance arrangements is that the Group should not suffer total insurance losses above a certain level.

Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Group has the right not to renew individual policies, to re-price the risk on renewal, to impose deductibles and to reject the payment of a fraudulent claim. Claims payment limits are always included to cap the amount payable on occurrence of the insured event.

Insurance contracts also entitle the Group to pursue third parties for payment of some or all costs (for example, subrogation).

TheGroup has specialised claims units dealing with the mitigation of risks surrounding known claims. This unit investigates and adjusts all material or suspicious claims. The claims are reviewed individually at least annually and adjusted to reflect the latest information on the underlying facts, current law, contractual terms and conditions and other factors. The Group actively manages and pursues early settlements of claims to reduce its exposure to unpredictable developments.

36.1.2 Expense Risk

Expense risk is the risk of unexpected increases in policy maintenance, claim handling and other costs relating to fulfilment of insurance contracts. The risk is managed through budgeting and periodic cost evaluations.

36.1.3. Methods Used & Assumptions Made

Methods used and assumptions made for insurance liabilities assessment are disclosed in note 5

36.1.4. Changes From The Previous Period

There were no significant changes in Group's objectives, policies and processes for managing risk and the methods used to measure risk compared to the previous period considering that year 2022 results are restated due to adoption of IFRS 17. Hence methods and assumptions for both years 2022 and 2023 remain the same.

36.2 Claims Development Table

Claims Development Table

The tables below show the gross and net estimates of cumulative claims at the end of the initial accident year and how these have developed over time. The cumulative claims paid represents the cumulative claims paid for each accident year in the subsequent years. The current year provision for each accident year is calculated as the estimate of cumulative claims at the end of the current year less the cumulative claims paid.

Claims development table of past three years - Group					
	Accident Year				
Gross	2020 & Prior	2021	2022	2023	Total
Estimate of cumulative claims	RO	RO	RO	RO	RO
At the end of accident year	274,266,371	115,864,848	163,473,709	179,157,028	179,157,028
One year later	254,656,903	116,116,823	167,034,867	-	167,034,867
Two year later	242,661,418	115,500,059	-	-	115,500,059
Three year later	230,264,496	-	-	-	230,264,496
Current estimate of incurred claims	230,264,496	115,500,059	167,034,867	179,157,028	691,956,450
Cumulative payments to date	(221,139,665)	(110,099,211)	(147,116,203)	(109,174,319)	(587,529,398)
Liability recognised	9,124,831	5,400,848	19,918,664	69,982,709	104,427,052
Risk Adjustment					4,488,876
Discounting					(2,530,304)
Total LIC included in the statement of financial position					**106,385,624**

Claims Development Table (Continued)

	Accident Year				
Net	**2020 & Prior**	**2021**	**2022**	**2023**	**Total**
Estimate of cumulative claims	**RO**	**RO**	**RO**	**RO**	**RO**
At the end of accident year	188,069,673	72,999,038	136,010,416	145,463,704	145,463,704
One year later	183,352,638	68,687,921	147,684,193	-	147,684,193
Two year later	181,743,725	68,777,684	-	-	68,777,684
Three year later	179,314,346	-	-	-	179,314,346
Current estimate of incurred claims	179,314,346	68,777,684	147,684,193	145,463,704	541,239,927
Cumulative payments to date	(175,322,764)	(64,450,900)	(133,590,330)	(108,778,044)	(482,142,038)
Liability recognised	3,991,582	4,326,784	14,093,863	36,685,660	59,097,889
Risk Adjustment					3,425,444
Discounting					(1,419,743)
Total LIC less AIC included in the statement of financial position					**61,103,590**

Claims Development Table Of Past Three Years - Parent Company

	Accident Year				
Gross	**2020 & Prior**	**2021**	**2022**	**2023**	**Total**
Estimate of cumulative claims	RO	RO	RO	RO	RO
At the end of accident year	119,200,853	87,173,158	131,483,188	114,438,344	114,438,344
One year later	107,828,374	92,142,733	131,858,274	-	131,858,274
Two year later	106,501,596	90,643,810	-	-	90,643,810
Three year later	103,356,973	-	-	-	103,356,973
Current estimate of incurred claims	103,356,973	90,643,810	131,858,274	114,438,344	440,297,401
Cumulative payments to date	(103,309,170)	(90,422,175)	(127,254,563)	(99,544,467)	(420,530,375)
Liability recognised	47,803	221,635	4,603,711	14,893,877	19,767,026
Risk Adjustment					1,219,809
Discounting					(300,920)
Total LIC included in the statement of financial position					**20,685,915**

	Accident Year				
Net	**2020 & Prior**	**2021**	**2022**	**2023**	**Total**
Estimate of cumulative claims	RO	RO	RO	RO	RO
At the end of accident year	87,925,572	52,949,384	116,936,076	89,407,329	89,407,329
One year later	93,319,235	50,705,926	120,970,267	-	120,970,267
Two year later	93,206,928	49,544,748	-	-	49,544,748
Three year later	89,959,691	-	-	-	89,959,691
Current estimate of incurred claims	89,959,691	49,544,748	120,970,267	89,407,329	349,882,035
Cumulative payments to date	(90,452,979)	(48,707,874)	(117,023,710)	(99,087,943)	(355,272,506)
Liability recognised	(493,288)	836,874	3,946,557	(9,680,614)	(5,390,471)
Risk Adjustment					871,258
Discounting & default adjustment					234,634
Total LIC less AIC included in the statement of financial position					**(4,284,579)**

36.3 Financial Risk Management

Market Risk Management & Exposures

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, or its issuer, or factors affecting all securities traded in the market.

The Group is exposed to market risk with respect to its investments. The Group limits market risk by maintaining a diversified portfolio and by continuous monitoring of developments in international and local equity and bond markets. In addition, the Group actively monitors the key factors that affect stock and bond market movements, including analysis of the operational and financial performance of investees. Market risk comprises three types of risk: market interest rates (interest rate risk), market prices (equity price risk) and foreign exchange rates (currency risk).

36.3.1 Interest Rate Risk

The Group has availed long and short term loans which are on floating interest risk and is thereby exposed to interest rate risk. Change of interest rate on loans availed will have the following impact on the Group's results.

	Group & Parent Company					
Year	2023			2022		
	Principal Outstanding	Rate Change	Impact	Principal Outstanding	Rate Change	Impact
	RO		RO	RO		RO
Short Term loan	**13,200,000**	**1%**	**132,000**	14,500,000	1%	145,000
Long Term loan	**58,506,010**	**1%**	**585,060**	62,593,974	1%	625,940
Total	**71,706,010**		**717,060**	77,093,974		770,940

The Group invests in securities and has deposits that are subject to interest rate risk. The Group's bank deposits of RO 122,938,827 (2022: RO 147,483,808) carry fixed rate of interest and therefore, are exposed to repricing risk at maturity. The Group holds subordinated interest bearing investments at FVTPL with face valueof RO 34,200,577 (2022: RO Nil) and FVOCI with face value of RO 20,743,234 (2022: RO 55,147,096) which are subject to interest rate reset as per below table

	Group							
Year of Reset	2023				2022			
	Face Value	Rate Change	Impact on Profit	Impact on equity	Face Value	Rate Change	Impact on Profit	Impact on equity
	RO		RO	RO	RO		RO	RO
Year 2023	-	-	-	-	21,899,761	1%	-	218,998
Year 2024	**4,410,232**	**1%**	**44,102**	-	4,630,835	1%	-	46,308
2025 to 2052	**34,314,970**	**1%**	**137,643**	**205,507**	21,404,819	1%	-	214,048
Total	**38,725,202**		**181,745**	**205,507**	47,935,415		-	479,354
	Parent Company							
Year of Reset	2023				2022			
	Face Value	Rate Change	Impact on Profit	Impact on equity	Face Value	Rate Change	Impact on Profit	Impact on equity
	RO		RO	RO	RO		RO	RO
Year 2023	-	-	-	-	8,684,326	1%	-	86,843
Year 2024	-	**1%**	-	-	-	1%	-	-
2025 to 2052	**20,550,734**	**1%**	-	**205,507**	5,137,857	1%	-	51,379
Total	**20,550,734**		-	**205,507**	13,822,183		-	138,222

An interest rate sensitivity analysis of investment assets and insurance and reinsurance contract assets and liabilities by product lines is included in table below:

		Group				Parent Company			
		2023		2022		2023		2022	
	Rate Change	Exposure	Impact	Exposure	Impact	Exposure	Impact	Exposure	Impact
		RO	RO	RO	RO	RO	RO	RO	RO
Insurance and reinsurance contract assets									
Insurance contract assets & liabilities	**1%**	**147,705,312**	**979,579**	152,021,387	499,005	**32,879,639**	**63,671**	76,902,422	440,154
Reinsurance contract assets &liabilities	**1%**	**15,473,311**	**(66,060)**	18,282,265	62,999	**737,696**	**72,016**	8,607,613	(2,255)
Debt instruments at FVOCI & amortised cost	**1%**	**38,725,202**	**181,745**	47,935,415	-	**20,550,734**	-	13,822,183	-

36.3.2 Financial Instruments Price Risk

Financial Instruments price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether these changes are caused by factors specific to the individual security, or its issuer, or factors affecting all securities in the market.

The Group is exposed to market risk with respect to its investments. The Group limits financial instruments price risk by maintaining a diversified portfolio and by continuous monitoring of the market. Various regulatory limits for exposure to single issuer or equity are followed to minimise risk. In addition, the Group monitors actively the key factors that affect stock market movements.

54% (2022: 74%) of the Group's investments at the reporting date are within the Sultanate of Oman.

The following table demonstrates the sensitivity of the investment income to reasonably possible changes in equity prices, with all other variables held constant. The effect of 10% decreases in equity prices is expected to be equal and opposite to the effect of the increases shown.

	Group				Parent Company			
	Effect on equity		Effect on profit		Effect on equity		Effect on profit	
	2023	2022	2023	2022	2023	2022	2023	2022
	RO	RO	RO	RO	RO	RO	RO	RO
Financial instruments at FVTPL	-	-	**2,960,013**	84,676	-	-	**31,041**	27,675
Financial instruments at FVOCI	**3,592,174**	4,907,023	-	-	**2,711,453**	4,492,255	-	-

36.3.3 Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group enters into major agreements in Rial Omani, UAE Dirhams, Saudi Riyal, Bahraini Dinars and US Dollars. As these currencies are pegged to the US Dollar, balances in US Dollars are not considered to represent significant currency risk.

66% (2022: 37%) of the Group's deposits and cash and bank balances are denominated in foreign currencies, mainly US Dollars, Kuwaiti Dinars and UAE Dirhams. The Group's investments carried at FVTPL and FVOCI amounting to RO 40,765,385 (2022: RO 25,543,153) are denominated in currencies other than Rial Omani.

36.3.4 Credit Risk

Credit risk is the risk of financial loss resulting from a counterparty's failure to meet their contractual obligations. Credit risk arising from investments is described below. TheGroup has significant credit risk arising from insurance contracts assets and reinsurance contract assets. Other credit risks arising from insurance operations are not considered to be significant.

The following policies and procedures are in place to mitigate the Group's exposure to credit risk:

- The Group only enters into insurance and reinsurance contracts with recognised, credit worthy third parties.
- The Group's investments carried at amortised cost and debt securities carried at FVOCI are managed by the investment officer in accordance with the investment policy established by the Board of Directors.
- The Group's loan to policy holders is secured against the cash values of the respective policies.
- The Group seeks to limit its credit risk with respect to customers by setting credit limits for individual customers or intermediaries and monitoring outstanding receivables. Insurance receivables comprise a large number of customers in Oman, UAE, Kuwait, Saudi and Bahrain. Three major parties account for 10% of the receivables as of 31 December 2023 (2022: 18%).
- The Group's bank balances are maintained with a range of international and local banks which are approved by the Board of Directors.
- Other receivables are not considered past due.

36.3.4 Credit Risk (Continued)

Group	2023 High grade (Rated A & above)	2023 Standard grade (Rated below A upto B)	2023 Not rated	2023 Total	2022 High grade (Rated A & above)	2022 Standard grade (Rated below A up to B)	2022 Not rated	2022 Total
	RO	RO	RO	RO	RO	RO	RO	RO
Cash and cash equivalents	**46,602,325**	**7,400,970**	-	**54,003,295**	36,458,119	11,467,723	-	47,925,842
Bank Deposits	**61,834,319**	**60,918,835**	-	**122,753,154**	114,157,744	33,231,396	-	147,389,140
Debt instruments at FVTPL	-	**29,289,722**	-	**29,289,722**	570,018	-	-	570,018
Debt instruments at FVOCI	**17,538,478**	**11,573,739**	-	**29,112,217**	21,913,203	14,502,791	-	36,415,994
Debt instruments at amortised cost	**48,495,204**	**9,651,058**	-	**58,146,262**	44,147,313	12,927,985	-	57,075,298
Loans to policyholders	-	-	**31,634**	**31,634**	-	-	47,587	47,587
Insurance contract assets	**421,381**	-	**468,315**	**889,696**	-	-	251,789	251,789
Reinsurance contract assets	**19,206,630**	**9,466,340**	-	**28,672,970**	23,011,384	1,194,306	-	24,205,690
Other receivables (excluding prepayments)	-	-	**30,395,424**	**30,395,424**	-	-	20,250,500	20,250,500
Total credit risk exposure	**194,098,337**	**128,300,664**	**30,895,373**	**353,294,374**	240,257,781	73,324,201	20,549,876	334,131,858

Parent Company	2023 High grade (Rated A & above)	2023 Standard grade (Rated below A upto B)	2023 Not rated	2023 Total	2022 High grade (Rated A & above)	2022 Standard grade (Rated below A upto B)	2022 Not rated	2022 Total
	RO	RO	RO	RO	RO	RO	RO	RO
Cash and cash equivalents	**8,921,293**	**2,364,425**	-	**11,285,718**	8,163,934	11,467,723	-	19,631,657
Bank Deposits	**8,620,121**	**10,553,234**	-	**19,173,355**	8,912,121	33,231,396	-	42,143,517
Debt instruments at FVOCI	**13,462,303**	**6,842,699**	-	**20,305,002**	23,899,520	14,502,791	-	38,402,311
Debt instruments at amortised cost	**192,427**	-	-	**192,427**	2,324,903	8,851,810	-	11,176,713
Loans to policyholders	-	-	-	-	-	-	47,587	47,587
Insurance contract assets	-	-	-	-	-	-	73,110	73,110
Reinsurance contract assets	**1,669,924**	**46,281**	-	**1,716,205**	7,913,452	1,194,306	-	9,107,758
Other receivables (excluding prepayments)	-	-	**22,306,661**	**22,306,661**	-	-	9,099,284	9,099,284
Total credit risk exposure	**32,866,068**	**19,806,639**	**22,306,661**	**74,979,368**	51,213,930	69,248,026	9,219,981	129,681,937

36.3.5 Reinsurance Risk

Consistent with other insurance companies, in order to minimise financial exposure arising from large claims, the Group, in the normal course of business, enters into contracts with other parties for reinsurance purposes. Such reinsurance arrangements provide for greater diversification of business, allow management to control exposure to potential losses arising from large risks, and provide additional capacity for growth. A significant portion of the reinsurance is effected under treaty, facultative and excess-of-loss reinsurance contracts.

To minimise its exposure to significant losses from reinsurer insolvencies, the Group evaluates the financial condition of its reinsurers. The Group only deals with reinsurers as mandated under the board approved Reinsurance Management strategy manual.

The Group places business only with reinsurers having a minimum rating of "BBB" from Standard & Poor's or "B+" from A. M. Best except regional reinsurers.

Reinsurance ceded contracts do not relieve the Group from its obligations to policyholders and as a result the Group remains liable for the portion of outstanding claims reinsured to the extent that the reinsurer fails to meet the obligations under the reinsurance agreements. The Group's reinsurance contract assets risk exposure based on rating of reinsures is shown in table provided in note 36.3 Credit Risk.

36.3.6 Debt Securities & Bank Deposits

The Group limits its exposure to credit risk by investing only in liquid debt securities and only with counterparties that have a credit rating from recognized credit rating agencies.

The Group monitors changes in credit risk by tracking published external credit ratings to determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings. The Group supplements this by reviewing changes in bond yields together with available press and regulatory information about issuers.

12-month and lifetime probabilities of default are based on historical data supplied by Rating Agency Moody's for each credit rating. Loss given default (LGD) parameters are described in detail in note 4 - Key sources of estimation uncertainty."

Balances At Bank & Bank Deposits

The Group held balances at bank and bank deposits with banks and financial institution counterparties, which are rated A1 to Baa3, based on Moody's ratings.

The Group has used both simplified and generalized approach. For Bank Deposits and debt securities, the generalized approach has been used and for the other portfolios, the simplified approach was used. Under the generalized approach the counterparties are required to be classified in stages based on the significant increase in credit risk however, under the simplified approach, no staging is done and lifetime expected credit losses are calculated for all the counterparties.

	Group				Parent Company			
	Stage 1	Stage 2	Assets/ ECLunder simplified approach	Total	Stage 1	Stage 2	Assets/ ECLunder simplified approach	Total
2023	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**
Exposure (carrying value) subject to ECL at 1 January 2023								
Due from banks & deposits	147,483,808	-	47,901,407	195,385,215	42,238,184	-	19,619,962	61,858,146
Financial investments – Debt	70,772,116	-	47,610	70,819,726	26,931,051	-	47,610	26,978,661
Other receivables	-	-	11,355,414	11,355,414	-	-	7,332,388	7,332,388
Movement in the exposure (carrying value)	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**
subject to ECL during the year								
Portfolio Transfer of Assets & Liabilities	-	-	-	-	**(48,657,559)**		**(10,293,942)**	**(58,951,501)**
Due from banks and deposits	(24,544,981)	-	6,117,862	(18,427,119)	2,200,770	-	(7,562,838)	(5,362,068)
Financial investments – Debt	14,394,617	-	(47,610)	14,347,007	7,140,094	-	-	7,140,094
Other receivables	-	-	(4,805,936)	(4,805,936)	-	-	3,523,328	3,523,328
Exposure (carrying value) subject to ECL at 31 December 2023								
Due from banks and deposits	122,938,827	-	54,019,269	176,958,096	19,196,267	-	11,306,524	30,502,791
Financial investments – Debt	85,166,733	-	-	85,166,733	10,656,273	-	-	10,656,273
Other receivables	-	-	6,549,478	6,549,478	-	-	1,359,984	1,359,984
Opening balance of ECL as at 1 January 2023								
Due from banks and deposits	206,250	-	41,665	247,915	94,670	-	29,870	124,540
Portfolio Transfer of Assets & Liabilities	-	-	-		(81,129)		(10,435)	(91,564)
Financial investments - Debt	98,865	-	-	98,865	79,904	-	-	79,904
Portfolio Transfer of Assets & Liabilities	-	-	-	-	(79,589)		-	(79,589)
Other receivables	-	-	26,187	26,187	-	-	26,179	26,179
Portfolio Transfer of Assets & Liabilities	-	-	-	-	-		(25,191)	(25,191)
ECL as at 1 January 2023	**305,115**	-	**67,852**	**372,967**	**13,856**	-	**20,423**	**34,279**
Charge for the year (net)								
Due from banks and deposits	(20,577)	-	16,776	(3,8 01)	9,371	-	3,362	12,733
Financial investments – Debt	(56,808)	-	-	(56,808)	1,903	-	-	1,903
Other receivables	-	-	9,430	9,430	-	-	333	333
ECL charge for the year (net)	**(77,385)**	-	**26,206**	**(51,179)**	**11,274**	-	**3,695**	**14,969**
Closing balance of ECL as at 31 December 2023								
Due from banks and deposits	185,673	-	58,441	244,114	22,912	-	22,797	45,709
Financial investments – Debt	42,057	-	-	42,057	2,218	-	-	2,218
Other receivables	-	-	35,617	35,617	-	-	1,321	1,321
ECL as at 31 December 2023	**227,730**	-	**94,058**	**321,788**	**25,130**	-	**24,118**	**49,248**

Balances At Bank & Bank Deposits (Continued)

2022	Group				Parent Company			
	Stage 1	Stage 2	Assets/ ECLunder simplified approach	Total	Stage 1	Stage 2	Assets/ ECLunder simplified approach	Total
	RO	RO	RO	RO	RO	RO	RO	RO
Exposure (carrying value) subject to ECLat 1 January 2022								
Due from banks and deposits	150,807,118	-	30,483,451	181,290,569	47,500,135	-	13,240,099	60,740,234
Financial investments – Debt	68,499,850	-	70,235	68,570,085	23,221,976	-	70,235	23,292,211
Other receivables	-	-	11,775,381	11,775,381	-	-	7,938,070	7,938,070
Movement in the exposure (carrying value)subject to ECL during the year								
Due from banks and deposits	(3,323,310)	-	17,417,956	14,094,646	(5,261,950)	-	6,379,863	1,117,913
Financial investments – Debt	(2,272,266)	-	(22,625)	(2,294,891)	3,709,099	-	(22,625)	3,686,474
Other receivables	-	-	(419,967)	(419,967)	-	-	(605,682)	(605,682)
Exposure (carrying value) subject to ECLat 31 December 2022								
Due from banks and deposits	147,483,808	-	47,901,407	195,385,215	42,238,185	-	19,619,962	61,858,147
Financial investments – Debt	70,772,116	-	47,610	70,819,726	26,931,075	-	47,610	26,978,685
Other receivables	-	-	11,355,414	11,355,414	-	-	7,332,388	7,332,388
Opening balance of ECL as at 1 January 2022								
Due from banks and deposits	218,393	-	49,586	267,979	106,805	-	37,791	144,596
Financial investments – Debt	74,401	-	29	74,430	55,442	-	29	55,471
Other receivables	-	-	17,996	17,996	-	-	17,996	17,996
ECL as at 1 January 2022	292,794	-	67,611	360,405	162,247	-	55,816	218,063
Charge for the year (net)								
Due from banks and deposits	(12,143)	-	(7,921)	(20,064)	(12,135)	-	(7,929)	(20,064)
Financial investments – Debt	24,464	-	(7)	24,457	24,463	-	(7)	24,456
Other receivables	-	-	8,169	8,169	-	-	8,169	8,169
ECL charge for the year (net)	12,321	-	241	12,562	12,328	-	233	12,561
Closing balance of ECL as at 31 December 2022								
Due from banks and deposits	206,250	-	41,665	247,915	94,670	-	29,862	124,532
Financial investments – Debt	98,865	-	22	98,887	79,905	-	22	79,927
Other receivables	-	-	26,165	26,165	-	-	26,165	26,165
ECL as at 31 December 2022	305,115	-	67,852	372,967	174,575	-	56,049	230,624

36.4 Liquidity Risk Management

Liquidity risk is the risk that the Group will not be able to meet its commitments associated with financial liabilities when they fall due. The Group's liquidity management process, as carried out within the Group and monitored by the Group, includes day-to-day funding, managed by monitoring future cash flows to ensure that requirements can be met, maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flows. Liquidity risk is also a significant consideration when the Group evaluates its overall ALM profile. Liquidity requirements are monitored on monthly basis and management ensures that sufficient liquid funds are available to meet any commitments as they arise. The Group considers their liquidity position to be satisfactory and also has committed overdraft and short term loan facilities of RO 14,750,000 as at 31 December 2023 (2022: RO 14,750,000) as well as the Group is in a position to generate cash by way of selling quoted investments or liquidating bank deposits in case of urgent cash requirements.

The Group maintains sufficient cash and cash equivalents to cater its day to day working capital needs.

The table below summarises the maturities of the principal position of the Group's financial assets and financial liabilities at the reporting date, based on contractual payment dates."

2023	Group				Parent Company			
	Less than one year	More than one year	No fixed term	Total	Less than one year	More than one year	No fixed term	Total
	RO	RO	RO	RO	RO	RO	RO	RO
Financial liabilities								
Insurance contract liabilities	130,091,739	12,563,289	5,939,980	148,595,008	32,877,626	2,013	-	32,879,639
Reinsurance contract liabilities	13,514,111	(314,451)	-	13,199,660	978,902	(393)	-	978,509
Term Loan from Bank	23,569,610	48,136,400	-	71,706,010	23,569,610	48,136,400	-	71,706,010
Other liabilities (excluding contractual staff benefits)	26,365,346	2,708,788	-	29,074,134	13,897,241	1,974,142	-	15,871,383
Total financial liabilities	**193,540,806**	**63,094,026**	**5,939,980**	**262,574,812**	**71,323,379**	**50,112,162**	**-**	**121,435,541**
Financial assets								
Cash and bank balances	51,110,365	-	2,892,930	54,003,295	11,285,718	-	-	11,285,718
Bank deposits	122,753,154	-	-	122,753,154	19,173,355	-	-	19,173,355
Insurance contract assets	1,060,266	(170,570)	-	889,696	-	-	-	-
Reinsurance contract assets	23,417,358	4,204,641	1,050,972	28,672,971	1,716,160	45	-	1,716,205
Other receivables (excluding prepayments and advances)	22,306,661	25,026	8,063,737	30,395,424	22,306,661	-	-	22,306,661
Investment carried at fair value through profit or loss	29,600,128	-	-	29,600,128	310,406	-	-	310,406
Investments carried at amortised cost	26,359,845	31,786,417	-	58,146,262	-	192,427	-	192,427
Investment carried at FVOCI	-	16,244,977	19,676,765	35,921,742	-	10,656,261	16,458,266	27,114,527
Loans to policyholders	31,634	-	-	31,634	-	-	-	-
Total financial assets	**276,639,411**	**52,090,491**	**31,684,404**	**360,414,306**	**54,792,300**	**10,848,733**	**16,458,266**	**82,099,299**

2022	Group				Parent Company			
	Less than one year	More than one year	No fixed term	Total	Less than one year	More than one year	No fixed term	Total
	RO	RO	RO	RO	RO	RO	RO	RO
Financial liabilities								
Insurance contract liabilities	130,944,573	15,564,701	5,763,902	152,273,176	64,697,066	6,514,564	5,763,902	76,975,532
Reinsurance contract liabilities	6,494,826	(571,401)	-	5,923,425	623,348	(123,203)	-	500,145
Term Loan from Bank	77,093,974	-	-	77,093,974	77,093,974	-	-	77,093,974
Other liabilities (excluding contractual staff benefits)	28,546,766	2,519,707	-	31,066,473	10,323,791	1,435,251	-	11,759,042
Total financial liabilities	**243,080,139**	**17,513,007**	**5,763,902**	**266,357,048**	**152,738,179**	**7,826,612**	**5,763,902**	**166,328,693**
Financial assets								
Cash and bank balances	47,925,842	-	-	47,925,842	19,631,657	-	-	19,631,657
Bank deposits	147,389,140	-	-	147,389,140	42,143,517	-	-	42,143,517
Insurance contract assets	1,082,960	(831,171)	-	251,789	865,417	(792,307)	-	73,110
Reinsurance contract assets	16,311,129	6,910,057	984,504	24,205,690	6,081,169	2,042,085	984,504	9,107,758
Other receivables(excluding prepayments)	20,250,500	-	-	20,250,500	9,099,284	-	-	9,099,284
Investment carried at fair value through profit or loss	846,764	-	-	846,764	276,746	-	-	276,746
Investments carried at amortised cost	17,240,485	39,834,813	-	57,075,298	2,163,835	9,012,878	-	11,176,713
Investment carried at FVOCI	-	-	49,070,232	49,070,232	-	-	44,922,547	44,922,547
Loans to policy holders	-	-	47,587	47,587	-	-	47,587	47,587
Total financial assets	**251,046,820**	**45,913,699**	**50,102,323**	**347,062,842**	**80,261,625**	**10,262,656**	**45,954,638**	**136,478,919**

* Bank deposits of RO 122,753,154 (2022: RO 147,389,140) also include bank deposits which have maturity date of more than one year amounting to RO 61,020,988 (2022: RO 49,504,140) as these are highly liquid in nature and can liquidated on demand whenever required."

36.5 Liquidity Risks – Maturity Analysis

The following tables present the maturity analyses of the cashflows from the portfolios of insurance contracts issued that are liabilities and portfolios of reinsurance contracts held that are liabilities for each of the first five years after the reporting date and in aggregate beyond the first five years based on present value of future cashflows:

Group-2023	Upto 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years	Total
GMM portfolios (PVFC for LFRC):	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**
Insurance contract liabilities	1,351,073	1,256,723	712,605	454,251	577,060	1,065,129	5,416,841
Reinsurance contract liabilities (held)	(485,590)	(336,683)	(243,615)	(176,636)	(129,006)	(323,143)	(1,694,673)
	865,483	**920,040**	**468,990**	**277,615**	**448,054**	**741,986**	**3,722,168**
PVFC for LFIC of all portfolios:							
Insurance contract liabilities	66,488,924	3,929,357	804,792	266,975	64,129	10,285	71,564,462
Reinsurance contract liabilities (held)	(309,470)	24,432	4,202	1,136	4	-	(279,696)
	66,179,454	**3,953,789**	**808,994**	**268,111**	**64,133**	**10,285**	**71,284,766**

Group-2022	Upto 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years	Total
GMM portfolios (PVFC for LFRC):	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**
Insurance contract liabilities	1,779,143	1,323,110	1,234,780	765,771	422,562	1,727,918	7,253,284
Reinsurance contract liabilities (held)	(596,195)	(413,738)	(301,669)	(219,846)	(160,335)	(417,780)	(2,109,563)
	1,182,948	**909,372**	**933,111**	**545,925**	**262,227**	**1,310,138**	**5,143,721**
PVFC for LFIC of all portfolios:							
Insurance contract liabilities	78,004,468	8,334,306	1,573,054	558,420	130,466	328,753	88,929,467
Reinsurance contract liabilities (held)	(389,805)	113,356	8,766	-	-	-	(267,683)
	77,614,663	**8,447,662**	**1,581,820**	**558,420**	**130,466**	**328,753**	**88,661,784**

Parent Company - 2023	Upto 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years	Total
PVFC for LFIC of all portfolios:	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**
Insurance contract liabilities	19,464,093	2,013	-	-	-	-	19,466,106
Reinsurance contract liabilities (held)	(21,583)	7	-	-	-	-	(21,576)
	19,442,510	**2,020**	**-**	**-**	**-**	**-**	**19,444,530**
Parent Company - 2022	**Upto 1 year**	**1 to 2 years**	**2 to 3 years**	**3 to 4 years**	**4 to 5 years**	**> 5 years**	**Total**
GMM portfolios (PVFC for LFRC):	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**
Insurance contract liabilities	1,779,143	1,323,110	1,234,780	765,771	422,562	1,727,918	7,253,284
Reinsurance contract liabilities (held)	(596,195)	(413,738)	(301,669)	(219,846)	(160,335)	(417,780)	(2,109,563)
	1,182,948	**909,372**	**933,111**	**545,925**	**262,227**	**1,310,138**	**5,143,721**
PVFC for LFIC of all portfolios:							
Insurance contract liabilities	42,943,952	1,671,920	164,690	-	-	-	44,780,562
Reinsurance contract liabilities (held)	(389,805)	113,356	8,766	-	-	-	(267,683)
	42,554,147	**1,785,276**	**173,456**	**-**	**-**	**-**	**44,512,879**

36.6 Liquidity Risk - Amounts Payable On Demand

Of the PAA portfolios, Short Term life, Health and General Insurancecontracts issued and reinsurance contracts held have zero amounts payable on demand. Of the insurance contract liabilities for GMM portfolios, the savings and participating contracts issued have an amount payable on demand which represents the policyholders' surrender values (including bonus declared as at reporting date) and are set out below:

	31 December 2023	31 December 2022
Group & Parent Company	**Amount payable on demand**	**Amount payable on demand**
	RO	**RO**
Saving and Participating contracts	1,499,289	1,365,347
Non-Participating Contracts (Term Life)	-	-
	1,499,289	**1,365,347**

Carrying Value of the Long term life polices (insurance contracts under the GMM portfolios) as at 31 December 2023 is RO 13,709,438(31 December 2022 - RO 14,583,222)

36.7 Underwriting Risk Concentration

The table below presents the concentration of underwriting risk by geography and by business types. The benefits insured figures are shown gross and net of reinsurance contracts.

Geographic concentration	**2023**			**2022**		
Group	**Insurance Contracts**	**Reinsurance contracts held**	**Net**	**Insurance Contracts**	**Reinsurance contracts held**	**Net**
	RO	**RO**	**RO**	**RO**	**RO**	**RO**
Oman	**57,620,072**	**(6,816,723)**	**50,803,349**	65,124,013	(7,771,428)	57,352,585
UAE	**56,364,182**	**(5,617,133)**	**50,747,049**	51,745,858	(4,424,797)	47,321,061
Kuwait	**2,018,304**	**(244,493)**	**1,773,811**	2,413,835	(345,387)	2,068,448
Bahrain	**679,009**	**151,007**	**830,016**	1,135,446	158,897	1,294,343
KSA	**31,023,745**	**(2,945,969)**	**28,077,776**	31,602,235	(5,899,550)	25,702,685
	147,705,312	**(15,473,311)**	**132,232,001**	152,021,387	(18,282,265)	133,739,122
Business Type Concentration	**2023**			**2022**		
Group	**Insurance Contracts**	**Reinsurance contracts held**	**Net**	**Insurance Contracts**	**Reinsurance contracts held**	**Net**
	RO	**RO**	**RO**	**RO**	**RO**	**RO**
Life- Long term	**13,709,438**	**(4,484,761)**	**9,224,677**	14,583,222	(4,539,761)	10,043,461
Life- Short term	**40,415,745**	**(2,699,914)**	**37,715,831**	8,949,601	(3,323,414)	5,626,187
Health	**39,800,433**	**(792,282)**	**39,008,151**	39,010,141	(1,854,839)	37,155,302
General	**53,779,696**	**(7,496,354)**	**46,283,342**	89,478,423	(8,564,251)	80,914,172
	147,705,312	**(15,473,311)**	**132,232,001**	152,021,387	(18,282,265)	133,739,122

36.7 Underwriting Risk Concentration (Continued)

Geographic concentration	2023			2022		
Parent Company	Insurance Contracts	Reinsurance contracts held	Net	Insurance Contracts	Reinsurance contracts held	Net
	RO	RO	RO	RO	RO	RO
Oman	-	-	-	46,014,996	(5,985,256)	40,029,740
UAE	**32,879,639**	**(737,696)**	**32,141,943**	28,473,590	(2,276,970)	26,196,620
Kuwait	-	-	-	2,413,836	(345,387)	2,068,449
	32,879,639	**(737,696)**	**32,141,943**	76,902,422	(8,607,613)	68,294,809
Business Type Concentration	**2023**			**2022**		
Parent Company	**Insurance Contracts**	**Reinsurance contracts held**	**Net**	**Insurance Contracts**	**Reinsurance contracts held**	**Net**
	RO	**RO**	**RO**	**RO**	**RO**	**RO**
Life- Long term	-	-	-	14,583,222	(4,539,761)	10,043,461
Life- Short term	**871,745**	**(63,678)**	**808,067**	2,275,994	(1,164,604)	1,111,390
Health	**32,007,894**	**(674,018)**	**31,333,876**	39,010,134	(1,854,836)	37,155,298
General	-	-	-	21,033,072	(1,048,412)	19,984,660
	32,879,639	**(737,696)**	**32,141,943**	76,902,422	(8,607,613)	68,294,809

36.8 Governance Framework

The primary objective of the Group's risk and financial management framework is to protect the Group's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

The Group has established a risk management function with clear terms of reference from the board of directors, its committees and the associated executive management committees. This is supplemented with a clear organisational structure with documented delegated authorities and responsibilities from the board of directors to executive management committees and senior managers. Further, a Group policy framework which sets out the risk profiles for the Group, risk management, control and business conduct standards for the Group's operations has been put in place. Each policy has a member of senior management charged with overseeing compliance with the policy throughout the Group.

The Board of Directors approves the Group's risk management policies and meets regularly to approve any commercial, regulatory and organisational requirements of such policies. These policies define the Group's identification of risk and its interpretation, limit structure to ensure the appropriate quality and diversification of assets, align underwriting and reinsurance strategy to the corporate goals, and specify reporting requirements.

36.9 Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and benefit other stakeholders. The management's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business.

The Group manages its capital structure and may make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

Capital Management Framework

Regulatory Framework

Regulators are primarily interested in protecting the rights of the policyholder and monitor them closely to ensure that the Group is satisfactorily managing affairs for their benefit. At the same time, the regulators are also interested in ensuring that the Group maintains an appropriate solvency position to meet unforeseen liabilities arising from economic shocks or natural disasters.

The operations of the Group within the Sultanate of Oman are subject to regulatory requirements of the Sultanate of Oman. Such regulations not only prescribe approval and monitoring of activities, but also impose certain restrictive provisions such as solvency requirements and assignment of deposits to minimise the risk of default and insolvency on the part of the insurance companies to meet unforeseen liabilities as they arise. The Group's policy is to deal only with reputed and highly rated reinsurers.

In accordance with the Insurance Companies Law of the Sultanate of Oman, the Group is required to maintain a minimum solvency margin at the reporting date in compliance with the solvency requirements. The Group has met these requirements for the financial year 2023.

Insurance Authority for United Arab Emirates has also issued financial regulations during 2015 which prescribe requirements for accounting, reporting, investments and solvency requirements. These regulations are to be implemented over a time frame of one to three years. The Group has met these requirements for the financial year 2023.

Approach To Capital Management

The Group seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders and policyholders.

The Group's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital levels (by each regulated entity) on a regular basis and taking appropriate actions to influence the capital position of the Group in the light of changes in economic conditions and risk characteristics.

The primary source of capital used by the Group is equity shareholders' funds. The capital requirements are routinely forecast on a periodic basis, and assessed against both the forecast available capital and the expected internal rate of return including risk and sensitivity analyses.

The Group has a surplus over the required solvency margin as per the Insurance Group Law.

36.10 Other Risk Management Disclosures

The methods used and assumptions made for insurance liabilities assessment are disclosed in note 5. A sensitivity analysis relating to underwriting risk variables is disclosed in note 5.2. Equity risk exposures and investment asset credit risk exposures and sensitivity analysis relating to interest rate and equity risk variables is disclosed in note 36.3.

37. Fair Values

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.

The fair values of the Group's major financial assets and liabilities are not materially different from their carrying values as of the reporting date."

Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, the Group grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial Instruments Recorded At Fair Value

Included in the Level 1 category are financial assets that are measured in whole or in part by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Financial assets measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions are assets for which pricing is obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair values based on broker quotes, investments in private equity funds with fair values obtained via fund managers and assets that are valued using the Group's own models whereby the majority of assumptions are market observable.

Non market observable inputs means that fair values are determined in whole part or in part using a valuation technique (model) based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Valuation techniques are used to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, that is, an exit price from the perspective of the Group. Therefore, unobservable inputs reflect the Group's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk). These inputs are developed based on the best information available, which might include the Group's own data.

The fair values of the Group's major financial assets and liabilities are not materially different from their carrying values as of the reporting date.

	Level 1	Level 2	Level 3	Total
2023				
Investments carried at FVTPL and FVOCI	61,298,029	147,481	4,076,360	65,521,870
	Level 1	**Level 2**	**Level 3**	**Total**
2022				
Investments carried at FVTPL and FVOCI	45,687,825	152,811	4,076,360	49,916,996
There were no transfers between any levels mentioned above.				

38. Transfer Of Oman & Kuwait Insurance Related Assets & Liabilities From Liva SAOG To Liva Insurace SAOC

On the 1 of October 2023, the Company has transferred all insurance related assets and liabilities of the Oman and Kuwait operations to Liva Insurance SAOC. This is in line with the strategy of Company to consolidate its insurance businesses into the operating entity, Liva Insurance SAOC.

All required approvals have been taken from the insurance regulator on the transfer and below is summary of the assets and liabilities transferred.

Assets and Liabilities Transfer as on 1 October 2023			
	Transfer to Liva Insurance SAOC		
	Kuwait	Oman	Total
Assets	**RO**	**RO**	**RO**
Cash and cash balances	750,600	-	750,600
Bank deposits	3,215,793	22,026,893	25,242,686
Investments carried at amortised cost	-	8,805,714	8,805,714
Investments at Fair value through other comprehensive income	1,489,954	30,043,401	31,533,355
Other receivables and prepayments	290,498	7,424,550	7,715,048
Loans to policyholders	-	41,297	41,297
Property & Equipment	371,656	1,141,267	1,512,923
Reinsurance contract assets	103,684	5,111,737	5,215,421
Deferred tax asset	-	2,190,271	2,190,271
Intangible Assets including Goodwill	-	146,490	146,490
Total Assets Transferred	**6,222,185**	**76,931,620**	**83,153,805**
Liabilities			
Insurance contract liabilities	2,096,418	37,883,422	39,979,840
Other liabilities and accruals	739,311	9,139,718	9,879,029
Total Liabilities Transferred	**2,835,729**	**47,023,140**	**49,858,869**
Consideration from Liva Insurance SAOC	**3,386,456**	**29,908,480**	**33,294,936**

Total consideration for the transfer is RO 33,294,936 which was discharged as per below :	
Contingency reserve build in Liva Insurance SAOC	11,168,826
New Share issued to Liva Insurance SAOC from Liva SAOG	4,000,000
Cash consideration	18,126,110
Total Consideration	**33,294,936**

39. Prior Year Adjustments

The Group has reclassified the following for the comparative figures of year ended 31 December 2022:

A subsidiary of the Group has reclassified Investments as at 31 December 2022 which is incorporated in the consolidated group figures for 31 December 2022 and which are also reclassified.

The above reclassification has resulted in changes as presented below for the comparative figures of year ended 31 December 2022 to maintain consistency. Such reclassifications have not resulted in change in last year's reported profit.

	31 December 2022 (as previously reported)	Reclassification	31 December 2022 (as reported)
	RO	RO	RO
Investment carried at FVOCI (Note 8 (a)(iii))	86,318,785	(37,248,553)	49,070,232
Investments carried at amortised cost (Note 8 (a)(ii))	13,692,639	43,382,659	57,075,298
Fair Value reserve under statement of changes in shareholders' equity	627,007	(3,099,322)	(2,472,315)
Retained Earnings (restated as per IFRS 17)	2,689,620	(893,763)	1,795,857
Non controlling Interest under statement of changes in shareholders' equity (restated as per IFRS 17)	18,897,167	(2,141,021)	16,756,146
Other comprehensive income	(685,143)	5,227,494	4,542,351
Total comprehensive income for the year	2,395,832	5,227,494	7,623,326

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