

**MUSCAT NATIONAL HOLDING COMPANY SAOG  
AND ITS SUBSIDIARIES**



**Statement of consolidated changes in equity**  
*for the year ended 31 December*

Group	Share capital RO	Legal reserve RO	Capital reserve RO	Undistributable reserve RO	Fair value reserve RO	Proposed cash dividend RO	(Accumulated losses)/ retained earnings RO	Contingency reserve RO	Total RO
At 1 January 2008	5,000,000	1,858,122	25,207	3,101,017	-	750,000	1,871,825	571,090	13,177,261
Loss for the year	-	-	-	-	-	-	(2,449,472)	-	(2,449,472)
Cash dividend paid	-	-	-	-	-	(750,000)	-	-	(750,000)
Transfer to contingency reserve	-	-	-	-	-	-	(95,411)	95,411	-
At 31 December 2008	5,000,000	1,858,122	25,207	3,101,017	-	-	(673,058)	666,501	9,977,789
<b>Profit for the year</b>	-	-	-	-	-	-	<b>3,014,708</b>	-	<b>3,014,708</b>
<b>Transfer to legal reserve (note 28)</b>	-	<b>301,471</b>	-	-	-	-	<b>(301,471)</b>	-	-
<b>Movement in fair value reserve (note 14)</b>	-	-	-	-	<b>17,857</b>	-	-	-	<b>17,857</b>
<b>Transfer to contingency reserve</b>	-	-	-	-	-	-	<b>(85,344)</b>	<b>85,344</b>	-
<b>At 31 December 2009</b>	<b>5,000,000</b>	<b>2,159,593</b>	<b>25,207</b>	<b>3,101,017</b>	<b>17,857</b>	-	<b>1,954,835</b>	<b>751,845</b>	<b>13,010,354</b>

Note: The undistributable reserve relates to bonus shares issued by the Group's subsidiaries, Muscat Insurance Company SAOC and Muscat Life Assurance Company SAOC, and is not available for distribution as at 31 December 2009.

Parent company	Share capital RO	Legal reserve RO	Capital Reserve RO	Proposed cash dividend RO	(Accumulated losses) / retained earnings RO	Total RO
At 1 January 2008	5,000,000	993,021	25,207	750,000	517,832	7,286,060
Loss for the year	-	-	-	-	(1,063,538)	(1,063,538)
Cash dividend paid	-	-	-	(750,000)	-	(750,000)
At 31 December 2008	5,000,000	993,021	25,207	-	(545,706)	5,472,522
<b>Profit for the year</b>	-	-	-	-	<b>1,488,530</b>	<b>1488,530</b>
<b>Transfer to legal reserve (note 28)</b>	-	<b>148,853</b>	-	-	<b>(148,853)</b>	-
<b>At 31 December 2009</b>	<b>5,000,000</b>	<b>1,141,874</b>	<b>25,207</b>	-	<b>793,971</b>	<b>6,961,052</b>

The attached notes 1 to 35 form an integral part of these consolidated financial statements.  
The report of the Auditors is set forth on page 1.