

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

1 Legal status and principal activities

Muscat Insurance Company SAOG (the “Company”) is registered as a Public Joint Stock Company in the Sultanate of Oman. The Company was formerly operating as an investment company whereby its license was amended by Financial Services Authority (FSA) (erstwhile Capital Market Authority or CMA) to underwrite general and life insurance businesses from 17 August 2017, vide the FSA’s administration decision E/59/2017 dated 30 August 2017.

The Company was restructured in the year 2017 through the merger of its two fully-owned subsidiaries in order to comply with provisions of the Insurance Companies Law of 1979, as amended, to bring the share capital of the Company to RO 10 million by August 2017. Accordingly, the subsidiaries, Muscat Insurance Company SAOC (“MIC”) and Muscat Life Assurance Company SAOC (“MLAC”) were merged with the Company by transferring their assets and liabilities, as well as the licenses to underwrite portfolio of general and life insurance businesses.

The registered address of the Company is PO Box 72, Postal Code 112, Muscat, Sultanate of Oman.

This unaudited interim condensed financial information was approved for issue by the Board of Directors on 30 October 2025.

2 Basis of preparation

The unaudited interim condensed financial statements for the nine-month period ended 30 September 2025 have been prepared in accordance with International Accounting Standard (IAS) 34, ‘Interim Financial Reporting’ using the same accounting policies and methods of computations as those used in the audited financial statements for the year ended 31 December 2024.

The unaudited interim condensed financial statements do not include all the information as discussed in the annual audited financial statements and should be read in conjunction with the annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with IFRS Accounting Standards.

The unaudited interim condensed statement of financial position is presented in ascending order of liquidity, as this presentation is more appropriate to the Company’s operations.

The Company’s unaudited interim condensed statement of financial position is not presented using a current/non-current classification. However, the following balances would generally be classified as current: cash and cash equivalents, investments at fair value through profit or loss, other receivables and prepayments, accruals and other payables and provision for taxation.

The following balances would generally be classified as non-current: investment at amortised cost, investment properties, property and equipment, provision for employee benefit liabilities. The following balances are of mixed nature (including both current and non-current portions): bank balances, investments carried at fair value through other comprehensive income, insurance contract assets, reinsurance contract assets, insurance contract liabilities and reinsurance contract liabilities.

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

3 Estimates and judgments

The preparation of unaudited interim condensed financial statements 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.

In preparing this unaudited interim condensed financial statements, the significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited financial statements prepared as at, and for the year ended, 31 December 2024.

4 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The unaudited interim condensed financial statements does not include all financial risk management information and disclosures required in the annual audited financial statements, and should be read in conjunction with the annual audited financial statements for the year ended, 31 December 2024. There have been no changes in the risk management policies since the previous year end.

5 Fair value measurement

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. 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.

When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

For investments traded in organised financial markets, fair value is determined by reference to stock exchange quoted market prices at the close of business on the reporting date, adjusted for transaction costs necessary to realise the asset. Fair value of unquoted investments is based on valuation techniques used by the Company. The fair value of other receivables and prepayments is estimated at the present value of future cash flows, discounted at the market rate of interest at the reporting date. The fair values of the Company's financial assets and liabilities are not materially different from their carrying values as at the reporting date.

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

6	Cash and bank balances	(Unaudited) 30 September 2025	(Unaudited) 30 September 2024	(Audited) 31 December 2024
	Call deposits	1,952,615	2,867,247	1,646,760
	Current accounts	(100,918)	(578,164)	(337,354)
	Cash at bank	1,851,697	2,289,083	1,309,406
	Cash on hand	2,300	2,275	2,275
	Cash and bank balances	1,853,997	2,291,358	1,311,681

Call deposits are placed with local commercial banks and earn effective interest rates ranging between 1% and 4.6% per annum (30 September 2024: between 1% and 1.52% per annum and 31 December 2024: between 1% and 5.2% per annum).

There are no restrictions on bank balances at the end of the reporting period.

The Company believes that the expected credit loss on cash at bank is immaterial and, therefore, has not been considered in the unaudited interim condensed financial statements.

7	Deposits	(Unaudited) 30 September 2025	(Unaudited) 30 September 2024	(Audited) 31 December 2024
	Deposits with banks	12,000,000	11,125,000	12,200,000
	Deposits with other financial institutions	-	1,100,000	-
		12,000,000	12,225,000	12,200,000
	Less: ECL allowance	(19,816)	(46,416)	(19,816)
		11,980,184	12,178,584	12,180,184

As at 30 September 2025, deposits with banks and other financial institutions have maturity period of twelve months to fourteen months (30 September 2024: six months to thirty-six months and 31 December 2024: seventeen months to twenty three months) from the date of placement.

The deposits held with commercial banks in Oman carry effective annual interest rates ranging from 5.10% to 6.25% per annum (30 September 2024: from 4.55% to 5.25% per annum and 31 December 2024: from 5.15% to 6.25% per annum) and held with other financial institutions carry effective annual interest rates at Nil (30 September 2024: 6% per annum and 31 December 2024: Nil).

As at 30 September 2025, transfer of deposits in local currency amounting to RO 7,505,000 (30 September 2024: RO 7,005,000 and 31 December 2024: RO 7,005,000) is restricted (Note 11).

8	Investments at fair value through profit or loss	(Unaudited) 1 January 2025 to 30 September 2025	(Unaudited) 1 January 2024 to 30 September 2024	(Audited) 1 January 2024 to 31 December 2024
	The movement in investments at fair value through profit or loss (FVTPL) during the period/year was as follows:			
	Opening balance	3,298,775	2,685,299	2,685,299
	Additions during the period / year	-	-	365,765
	Net unrealised gain for the period / year (Note 28)	599,942	315,856	247,711
	Closing balance	3,898,717	3,001,155	3,298,775

Local - quoted investments	(Unaudited) 30 September 2025		(Unaudited) 30 September 2024		(Audited) 31 December 2024	
	Cost	Fair value	Cost	Fair value	Cost	Fair value
Services	677,278	602,490	677,278	437,742	677,278	417,140
Oil and energy	665,493	735,838	543,704	527,319	665,493	623,183
Banking and finance	1,376,428	2,097,233	275,663	1,640,710	1,376,428	1,858,781
Industrial	101,576	123,957	101,577	100,828	101,576	98,566
Consumer goods	48,381	185,158	48,381	168,055	48,381	149,753
Mutual funds	50,000	81,157	25,000	53,617	50,000	78,468
	2,919,156	3,825,833	1,671,603	2,928,271	2,919,156	3,225,891

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

8 Investments at fair value through profit or loss (continued)

<i>Local - unquoted investments</i>	(Unaudited) 30 September 2025		(Unaudited) 30 September 2024		(Audited) 31 December 2024	
	Cost	Fair value	Cost	Fair value	Cost	Fair value
Agriculture / food	62,500	48,636	62,500	48,636	62,500	48,636
Services	11,828	21,398	11,828	21,398	11,828	21,398
Industrial	5,120	2,850	5,120	2,850	5,120	2,850
	79,448	72,884	79,448	72,884	79,448	72,884
Total	2,998,604	3,898,717	1,751,051	3,001,155	2,998,604	3,298,775

As at the end of the reporting period, transfer of investments carried at fair value through profit or loss amounting to RO 1,995,314 (30 September 2024: RO 1,784,973 and 31 December 2024: RO 1,737,267) is restricted (Note 11).

HSBC Bank Oman SAOG (HSBC) merged with Sohar International Bank SAOG with the approval of FSA. The shareholders were provided with the option to liquidate their HSBC shareholding either through a cash payment or share consideration. The Company opted for the cash option, redeeming 70% of its shares at a rate of 0.177 baisas per share. The remaining shares were converted into newly issued shares in Sohar International Bank SAOG at a ratio of 1.467 Sohar International Bank SAOG shares for each HSBC share. Hence, the percentage of investment in HSBC in relation to the overall investments of the Company is Nil at the reporting period.

The fair value hierarchy of the investments is as follows:

	(Unaudited) 30 September 2025	(Unaudited) 30 September 2024	(Audited) 31 December 2024
<i>Quoted investments</i>			
Level 1 hierarchy	3,825,833	2,928,271	3,225,891
<i>Unquoted investments</i>			
Level 2 hierarchy	72,884	72,884	72,884
Total	3,898,717	3,001,155	3,298,775

9 Investments at fair value through other comprehensive income

The movement in investments at fair value through other comprehensive income during the period / year was as follows:

	(Unaudited) 1 January 2025 30 September 2025	(Unaudited) 1 January 2024 30 September 2024	(Audited) 1 January 2024 31 December 2024
Opening and closing balance	744,610	744,610	744,610

The fair value hierarchy of the investments is as follows:

	(Unaudited) 30 September 2025		(Unaudited) 30 September 2024		(Audited) 31 December 2024	
	Cost	Fair value	Cost	Fair value	Cost	Fair value
<i>Quoted investments</i>						
Level 1 hierarchy	319,019	354,994	319,019	354,994	319,019	354,994
<i>Unquoted investments</i>						
Level 3 hierarchy	86,011	389,616	86,011	389,616	86,011	389,616
Total	405,030	744,610	405,030	744,610	405,030	744,610

Management believes that the fair values of unquoted investments approximate their carrying values (30 September 2024 and 31 December 2024: same).

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

10 Investments at amortised cost

- (a) Investments at amortised cost comprise of Investments in International Government Bonds with interest rate at 7.375% and will mature in 2032 (30 September 2024: 7.375% and 31 December 2024: 7.375%).
- (b) As at 30 September 2025, transfer of investments at amortised cost amounting to RO 1,932,647 (30 September 2024: 1,954,558 and 31 December 2024: 1,949,080) are restricted (Note 11).
- (c) Based on management's assessment, there is no impairment loss considered necessary on investments at amortised cost.

11 Restrictions on transfer of assets

In accordance with the law governing the operation of insurance companies within the Sultanate of Oman, the Company has identified to the FSA certain specific bank deposits, investments carried at fair value through profit or loss and investments carried at fair value through other comprehensive income included in the unaudited interim condensed statement of financial position at their carrying amount of RO 11,432,961 (30 September 2024: RO 10,744,531 and 31 December 2024: RO 10,691,347). Under the terms of the legislation, the Company can transfer these assets only with the prior approval of FSA.

12 Other receivables and prepayments

	(Unaudited) 30 September 2025	(Unaudited) 30 September 2024	(Audited) 31 December 2024
Financial assets:			
Other receivables	701,206	693,814	809,301
Accrued interest	392,419	221,453	232,346
Non-financial assets:			
Prepayments	113,388	83,059	72,206
	<u>1,207,013</u>	<u>998,326</u>	<u>1,113,853</u>

All amounts are short-term. The net carrying values of other receivables and prepayments are considered a reasonable approximation of fair values.

13 Right-of-use assets

- (a) The Company enters into leasing arrangements for the branch offices across various locations in the Sultanate of Oman. The average lease term for the premises is around 2 to 5 years with extension options.
- (b) The movement in right-of-use assets is as follows:

	(Unaudited) 1 January 2025 to 30 September 2025	(Unaudited) 1 January 2024 to 30 September 2024	(Audited) 1 January 2024 to 31 December 2024
Opening balance	13,245	28,635	28,635
Additions during the period / year	58,393	30,311	33,789
Amortisation charge for the period / year	(39,197)	(37,650)	(49,179)
Closing balance	<u>32,441</u>	<u>21,296</u>	<u>13,245</u>

14 Intangible assets

	(Unaudited) 1 January 2025 to 30 September 2025	(Unaudited) 1 January 2024 to 30 September 2024	(Audited) 1 January 2024 to 31 December 2024
Cost:			
Opening balance	145,858	169,137	169,137
Additions during the period / year	15,338	800	1,785
Disposals during the period / year	-	(1,340)	(25,064)
Closing balance	<u>161,196</u>	<u>168,597</u>	<u>145,858</u>
Amortisation:			
Opening balance	136,585	142,975	142,975
Charge for the period / year	6,525	11,341	14,076
Relating to disposals	-	-	(20,466)
Closing balance	<u>143,110</u>	<u>154,316</u>	<u>136,585</u>

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

14 Intangible assets (continued)	(Unaudited) 1 January 2025 to 30 September 2025	(Unaudited) 1 January 2024 to 30 September 2024	(Audited) 1 January 2024 to 31 December 2024
Net book value:			
Closing balance	18,086	14,281	9,273

15 Property and equipment
As at 30 September 2025 (Unaudited)

	Freehold land	Buildings	Furniture and equipment	Computer hardware and software	Motor vehicles	Total
Cost:						
At 1 January 2025	159,850	857,255	643,332	531,574	86,854	2,278,865
Additions	-	-	10,048	37,816	-	47,864
Disposals	-	-	(461)	-	-	(461)
At 30 September 2025	159,850	857,255	652,919	569,390	86,854	2,326,268
Accumulated depreciation:						
At 1 January 2025	-	181,063	620,462	447,120	86,845	1,335,490
Charge for the period	-	25,646	21,793	24,690	-	72,129
Disposals	-	-	(134)	-	-	(134)
At 30 September 2025	-	206,709	642,121	471,810	86,845	1,407,485
Net book value:						
At 30 September 2025	159,850	650,546	10,798	97,580	9	918,783
Net book value:						
At 30 September 2024 (unaudited)	159,850	684,834	30,011	86,866	9	961,570

As at 31 December 2024 (audited)

	Freehold land	Buildings	Furniture and equipment	Computer hardware and software	Motor vehicles	Total
Cost:						
At 1 January 2024	159,850	857,255	658,032	488,218	86,854	2,250,209
Additions	-	-	18,491	43,356	-	61,847
Disposals	-	-	(33,191)	-	-	(33,191)
At 31 December 2024	159,850	857,255	643,332	531,574	86,854	2,278,865
Accumulated depreciation:						
At 1 January 2024	-	146,680	592,202	413,807	85,816	1,238,505
Charge for the year	-	34,383	61,451	33,313	1,029	130,176
Relating to disposals	-	-	(33,191)	-	-	(33,191)
At 31 December 2024	-	181,063	620,462	447,120	86,845	1,335,490
Net book value:						
At 31 December 2024	159,850	676,192	22,870	84,454	9	943,375

The freehold land and buildings comprise a portion of the property held by the Company located at Al Khuwair, Sultanate of Oman. In the year 2022, the construction of new building completed and, accordingly, an amount equivalent to the percentage change in use, previously classified as property and equipment, was transferred to investment properties based on the area occupied for the Company's administrative purposes (Note 16).

Based on management's assessment, there is no indication of impairment of property, plant and equipment as at the reporting date.

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

16 Investment properties	Freehold land	Buildings	Total
As at 30 September 2025 (unaudited)			
Cost:			
Opening and closing balance	2,710,834	7,836,626	10,547,460
Accumulated depreciation:			
Opening balance	-	2,422,349	2,422,349
Charge for the period	-	252,571	252,571
Closing balance	-	2,674,920	2,674,920
Net book value:			
Closing balance	<u>2,710,834</u>	<u>5,161,706</u>	<u>7,872,540</u>
As at 30 September 2024 (unaudited)			
Net book value:			
Closing balance	<u>2,710,834</u>	<u>5,499,336</u>	<u>8,210,170</u>
As at 31 December 2024 (audited)			
Cost:			
Opening and closing balance	<u>2,710,834</u>	<u>7,836,626</u>	<u>10,547,460</u>
Accumulated depreciation:			
Opening balance	-	2,083,958	2,083,958
Charge for the year	-	338,391	338,391
Closing balance	-	2,422,349	2,422,349
Net book value:			
Closing balance	<u>2,710,834</u>	<u>5,414,277</u>	<u>8,125,111</u>

- (a) Freehold land and building in Al Khuwair, which is used for rental purposes, is entirely classified as investment property and carried at fair value. The fair value of the investment property was RO 1,605,000 based upon an independent external valuation carried in
- (b) During the year 2019, the Company completed construction of a new building in Al Khuwair. At the end of the reporting period, the building is 11% occupied for the Company's administrative use and 89% used for rental purposes. The freehold land and building, which is used for rental purposes, is classified as investment properties. The fair value of the freehold land and building included under investment property and properties and equipment is RO 11,450,000 based upon an independent external valuation carried at the end
- (c) The lease terms ranges between 1 to 5 years, with options for extension. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew.
- (d) Currently the percentage of investment in real estate to overall investments of the Company is 26.91% (30 September 2024: 28.79% and 31 December 2024: 29.41%) which is within the limit prescribed by Regulation for Investing Assets of Insurance Companies issued by the FSA. As per the Regulation, investments in real estate shall not exceed 30% of the total investments of the insurer.
- (e) The lessee does not have an option to purchase the property at the expiry of the lease period.
- (f) Investment properties are either leased to third parties or held for future undetermined use. The rental income earned from the investment properties, net of direct operating expenses, is as follows:

	(Unaudited) 1 July 2025 to 30 September 2025	(Unaudited) 1 July 2024 to 30 September 2024	(Unaudited) 1 January 2025 to 30 September 2025	(Unaudited) 1 January 2024 to 30 September 2024
Rental income	129,582	278,202	412,191	419,200
Less: management fee	(41,499)	(21,219)	(25,289)	(32,251)
	<u>88,083</u>	<u>256,983</u>	<u>386,902</u>	<u>386,949</u>

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

17 Share capital	(Unaudited) 30 September 2025	(Audited) 31 December 2024
The Company's authorised, issued and paid up capital at the end of the reporting period is as under:		
Authorised - ordinary shares of RO 1 each	30,000,000	30,000,000
Issued and paid up - ordinary shares of RO 1 each	11,025,046	11,025,046

The details of shareholders who own 10% or more of the Company's share capital are as follows:

	30 September 2025 (Unaudited)		31 December 2024 (Audited)	
	holding %	No. of shares	holding %	No of shares
Waleed Omar Abdulmunim Al Zawawi	19.98	2,202,685	19.98	2,202,685

18 Reserves

(a) Legal reserve

In accordance with the CCL, annual appropriations of 10% of the profit for the year are made to this reserve until the accumulated balance amounts to at least one third of the value of paid-up share capital of the Company. This reserve is not available for distribution. During the period, RO 74,431 (31 December 2024: RO 36,775) has been transferred to the legal reserve.

(b) Contingency reserve

	(Unaudited) 30 September 2025	(Unaudited) 30 September 2024	(Audited) 31 December 2024
Opening balance	3,827,582	3,438,652	3,438,652
Transfer during the period / year	249,892	334,509	388,930
Closing balance	4,077,474	3,773,161	3,827,582

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 and 1% of the life assurance premium for the year for life insurance business at the reporting date is transferred from retained earnings to contingency reserve. The Company may discontinue this transfer when the reserve equals to the issued share capital. No dividend shall be declared in any period until the deficit in the reserve is covered from the retained profits. The reserves shall not be used except by prior approval of the FSA.

The transfer to Contingency reserve is based on the interim results of the nine-month period ended 30 September 2025. The management will reassess the adequacy of the reserve according to the above regulations as at 31 December 2025. Excess transfer to the reserve, if any, will be reversed or shortfall to the reserve, if any, will be adjusted in the annual financial statements of the Company for the year ending 31 December 2025.

(c) Capital reserve

The Capital reserve represents the excess over nominal value paid by the initial subscribers towards public issue expenses incurred by the Company.

19 Accruals and other payables	(Unaudited) 30 September 2025	(Unaudited) 30 September 2024	(Audited) 31 December 2024
Premium and loss reserve retained from treaty reinsurers	3,508,182	3,041,901	3,426,436
Accruals and other payables	2,377,917	2,509,271	2,114,640
Amounts due to related parties	7,672	7,672	7,672
	5,893,771	5,558,844	5,548,748

All amounts are short-term. The carrying values of trade and other payables are considered to be a reasonable approximation of their fair values.

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

20 Employee benefit liabilities

The movement in employee benefit liabilities is as follows:

	(Unaudited) 1 January 2025 to 30 September 2025	(Unaudited) 1 January 2024 to 30 September 2024	(Audited) 1 January 2024 to 31 December 2024
Opening balance	146,082	139,673	139,673
Provided during the period / year	(19)	21,996	13,167
Paid during the period / year	(22,605)	-	(6,758)
Closing balance	123,458	161,669	146,082

21 Lease liabilities

The Company enters into leasing arrangements for the branch offices across various locations in the Sultanate of Oman. The average lease term for the premises is around 2 to 5 years. Movement in lease liabilities is as follows:

	(Unaudited) 1 January 2025 to 30 September 2025	(Unaudited) 1 January 2024 to 30 September 2024	(Audited) 1 January 2024 to 31 December 2024
Opening balance	14,264	28,812	28,812
Additions during the period / year	57,643	30,311	33,789
Interest expense	1,379	1,276	1,523
Less: payments made during the period / year	(41,595)	(38,115)	(49,860)
Closing balance	31,691	22,284	14,264

Future minimum lease payments

	(Unaudited) 30 September 2025	(Unaudited) 30 September 2024	(Audited) 31 December 2024
Payable within one year	31,090	28,680	14,696
Payable after one year but not more than five years	1,421	700	-
	32,511	29,380	14,696
Less: future finance costs on finance leases	(820)	(566)	(432)
Present value of minimum lease payments	31,691	28,814	14,264

22 Earnings and net assets per share

(a) Earnings / (loss) per share

Basic earnings / (loss) per share is calculated by dividing the net profit / (loss) for the period by the weighted average number of shares outstanding during the period is as follows:

	(Unaudited) 1 July 2025 to 30 September 2025	(Unaudited) 1 July 2024 to 30 September 2024	(Unaudited) 1 January 2025 to 30 September 2025	(Unaudited) 1 January 2024 to 30 September 2024
Profit / (loss) for the period	312,633	(20,404)	744,308	68,264
Weighted average number of shares outstanding during the period	11,025,046	11,025,046	11,025,046	11,025,046
Basic and diluted earnings / (loss) per share	0.028	(0.002)	0.068	0.006

(b) Net assets per share

Net assets per share is calculated by dividing the net assets at the end of the reporting period / year by the number of shares outstanding are as follows:

	(Unaudited) 30 September 2025	(Unaudited) 30 September 2024	(Audited) 31 December 2024
Net assets	18,597,539	17,553,747	17,853,231
Weighted average number of shares outstanding during the period / year	11,025,046	11,025,046	11,025,046
Net assets per share	1.687	1.592	1.619

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

23 Related party transactions

A party is considered to be related to the Company if the party has the ability, directly or indirectly, to exercise significant influence in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or significant influence. Related parties represent major shareholders, directors, key management personnel, and entities controlled, jointly controlled or significantly influenced by such parties.

- (a) Transactions with related parties are entered into on terms and conditions approved by the management and Board of Directors and subject to shareholders' approval at the Annual General Meeting. Transactions with related parties for the period(s) are as follows:

	(Unaudited) 1 July 2025 to 30 September 2025	(Unaudited) 1 July 2024 to 30 September 2024	(Unaudited) 1 January 2025 to 30 September 2025	(Unaudited) 1 January 2024 to 30 September 2024
Premiums written from related parties	52,793	162,621	2,679,790	3,200,323
Claims paid to related parties	79,284	80,212	173,125	123,657
Dividend income received from a related party	-	-	10,000	-

- (b) Amounts due from and due to related parties comprise of:

	(Unaudited) 30 September 2025	(Unaudited) 30 September 2024	(Audited) 31 December 2024
Insurance debtors	335,870	408,722	328,506
Insurance creditors	108,779	5,552	53,787

- (c) The key management personnel compensation for the period comprises:

	(Unaudited) 1 July 2025 to 30 September 2025	(Unaudited) 1 July 2024 to 30 September 2024	(Unaudited) 1 January 2025 to 30 September 2025	(Unaudited) 1 January 2024 to 30 September 2024
Short term employment benefits	42,129	102,686	142,457	149,178
Employees benefit liabilities	1,494	3,095	4,561	4,541
Directors' sitting fees	-	8,200	1,900	13,200
	43,623	113,981	148,918	166,919

- (c) The premiums due from and to related parties are unsecured, repayable on normal credit terms and not subject to interest (30 September 2024 and 31 December 2024: similar terms and conditions).
- (d) The balances with related parties, excluding the balances reported above, have been separately disclosed in these unaudited interim condensed financial statements at the reporting date (Note 19).

24 Insurance revenue

	(Unaudited) 1 July 2025 to 30 September 2025	(Unaudited) 1 July 2024 to 30 September 2024	(Unaudited) 1 January 2025 to 30 September 2025	(Unaudited) 1 January 2024 to 30 September 2024
General insurance:				
Contracts measured under the PAA	4,341,067	5,217,798	13,148,501	15,565,768
Life insurance:				
Expected incurred claims and other insurance service expen	53,908	108,827	178,933	372,043
CSM recognised for services provided	18,091	7,946	56,306	23,303
Change in risk adjustment over the period	3,810	4,103	12,433	13,745
Recovery of insurance acquisition cash flows	50	48	144	145
	4,416,926	5,338,722	13,396,317	15,975,004

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

25 Insurance service expenses	(Unaudited) 1 July 2025 to 30 September 2025	(Unaudited) 1 July 2024 to 30 September 2024	(Unaudited) 1 January 2025 to 30 September 2025	(Unaudited) 1 January 2024 to 30 September 2024
Movement in claims and attributable maintenance expenses	2,746,207	(39,719)	5,276,409	7,623,109
Movement in deferment of acquisition cost	234,455	226,147	632,411	666,444
Movement in risk adjustment and discounting	193,856	2,270,147	1,368,851	146,224
Movement in loss component	183,047	(108,226)	355,808	208,726
	3,357,565	2,348,349	7,633,479	8,644,503
26 Allocation of reinsurance premiums	(Unaudited) 1 July 2025 to 30 September 2025	(Unaudited) 1 July 2024 to 30 September 2024	(Unaudited) 1 January 2025 to 30 September 2025	(Unaudited) 1 January 2024 to 30 September 2024
Contracts measured under the PAA	3,329,961	4,002,941	10,409,238	11,551,260
Expected incurred claims and other service expenses	38,291	92,688	127,162	317,144
CSM recognised for services provided	19,859	12,816	62,294	26,491
Change in risk adjustment over the period	3,059	3,481	9,987	11,763
Recovery of acquisition cash flows	192	83	517	441
	3,391,362	4,112,009	10,609,198	11,907,099
27 Amounts recoverable from reinsurers for incurred claims	(Unaudited) 1 July 2025 to 30 September 2025	(Unaudited) 1 July 2024 to 30 September 2024	(Unaudited) 1 January 2025 to 30 September 2025	(Unaudited) 1 January 2024 to 30 September 2024
Movement in claims and attributable maintenance expenses	1,496,226	(779,489)	1,398,705	2,243,898
Movement in deferment of acquisition costs	173,295	287,973	723,232	828,725
Movement in risk adjustment and discounting	252,539	1,279,361	1,888,060	417,021
Movement in loss component	55,531	8,961	299,948	76,112
	1,977,591	796,806	4,309,945	3,565,756
28 Net investment income	(Unaudited) 1 July 2025 to 30 September 2025	(Unaudited) 1 July 2024 to 30 September 2024	(Unaudited) 1 January 2025 to 30 September 2025	(Unaudited) 1 January 2024 to 30 September 2024
Interest income on deposits	174,680	194,146	518,517	585,710
Net unrealised gain on investments at FVTPL	442,313	29,872	599,942	315,857
Dividend income	15,925	12,108	209,328	180,302
Income from investment properties	120,503	133,598	386,902	386,949
Interest income on investments at amortised cost	42,411	28,000	91,382	80,364
Other investment income	1,500	-	20,000	-
	797,332	397,724	1,826,071	1,549,182

29 Other operating expenses
During the period, total operating expenses amounted to RO 2,044,564 (30 September 2024: RO 2,034,501), with RO 1,545,003 (30 September 2024: RO 1,559,415) attributable to insurance contracts and the balance RO 499,561 (30 September 2024: RO 475,086) classified as unattributable expenses.

30 Contingencies and commitments
As at 30 September 2025, the Company has contingent liabilities of RO 50,000 (30 September 2024: RO 50,000 and 31 December 2024: RO 50,000) in respect of bonds and guarantees issued in the normal course of business from which it is anticipated that no material liabilities will arise.

The Company is subject to legal proceedings in the ordinary course of business. The Company, based on independent legal advice, believes that the outcome of these court cases will not have a material impact on the Company's income or financial condition.

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

31 Insurance and reinsurance contracts

The breakdown of groups of insurance and reinsurance contracts issued, and reinsurance contracts held, that are in an asset position and those in a liability position are set out in the table below:

30 September 2025 (unaudited)						
Insurance contracts			Reinsurance contracts			
Assets	Liabilities	Net	Assets	Liabilities	Net	
General insurance	- (16,513,188)	(16,513,188)	9,298,173	-	9,298,173	
Life insurance	- (1,184,101)	(1,184,101)	1,002,343	-	1,002,343	
	- (17,697,289)	(17,697,289)	10,300,516	-	10,300,516	

31 December 2024 (audited)						
Insurance contracts			Reinsurance contracts			
Assets	Liabilities	Net	Assets	Liabilities	Net	
General insurance	- (13,017,810)	(13,017,810)	6,567,826	-	6,567,826	
Life insurance	- (1,741,463)	(1,741,463)	1,466,808	-	1,466,808	
	- (14,759,273)	(14,759,273)	8,034,634	-	8,034,634	

30 September 2024 (unaudited)						
Insurance contracts			Reinsurance contracts			
Assets	Liabilities	Net	Assets	Liabilities	Net	
General insurance	- (15,455,328)	(15,455,328)	8,184,340	(5,714)	8,178,626	
Life insurance	- (1,885,358)	(1,885,358)	1,610,058	-	1,610,058	
	- (17,340,686)	(17,340,686)	9,794,398	(5,714)	9,788,684	

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

31 Insurance and reinsurance contracts (continued)

Movement in insurance contract liabilities analysed between liabilities for remaining coverage and incurred claims

General insurance

	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding onerous contracts component	Onerous contracts component	PAA present value of cash flows	PAA risk adjustment	
Insurance contract liabilities (1 January 2025) (audited)	1,846,272	486,665	10,172,180	512,693	13,017,810
Insurance revenue					
PAA premium reserve release	(13,148,501)	-	-	-	(13,148,501)
Total - insurance revenue	(13,148,501)	-	-	-	(13,148,501)
Insurance service expenses					
Incurred claims and other insurance service expenses					
Risk adjustment release gross	-	-	-	(379,581)	(379,581)
New claims incurred over the period (PV)	-	-	6,002,312	-	6,002,312
New claims incurred over the period (RA)	-	-	-	209,429	209,429
Incurred claims settled in the period	-	-	(886,722)	-	(886,722)
Amortisation of insurance acquisition cash flows	632,267	-	-	-	632,267
Increase in existing incurred claims reserves					
Increase in incurred claim liability (PV)	-	-	2,210,227	-	2,210,227
Increase in incurred claim liability (RA)	-	-	-	38,459	38,459
Claims and expenses paid	-	-	6,665,467	-	6,665,467
Release for Incurred claims expected over the period	-	-	(7,045,258)	-	(7,045,258)
Increase in onerous liability (PAA)	-	358,855	-	-	358,855
Total - insurance service expenses	632,267	358,855	6,946,026	(131,693)	7,805,455
Insurance service result	(12,516,234)	358,855	6,946,026	(131,693)	(5,343,046)
Insurance finance expense					
Interest expense on PV incurred claims reserves	-	-	258,499	-	258,499
Discount rate change on PV incurred claims reserves	-	-	11,983	-	11,983
Total - insurance finance expenses	-	-	270,482	-	270,482
Total changes	(12,516,234)	358,855	7,216,508	(131,693)	(5,072,564)
Cash flows					
Premiums received	16,042,605	-	-	-	16,042,605
Claims and other expenses paid, including investment component	-	-	(6,665,467)	-	(6,665,467)
Total - cash flows	16,042,605	-	(6,665,467)	-	9,377,138
Additional Items					
Deferred acquisition cost cashflow	(809,196)	-	-	-	(809,196)
Total - additional items	(809,196)	-	-	-	(809,196)
Insurance contract liabilities (30 September 2025) (unaudited)	4,563,447	845,520	10,723,221	381,000	16,513,188

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

31 Insurance and reinsurance contracts (continued)

Movement in insurance contract liabilities analysed between liabilities for remaining coverage and incurred claims (continued)

General insurance

	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding onerous contracts component	Onerous contracts component	PAA present value of cash flows	PAA risk adjustment	
Insurance contract liabilities (1 January 2024) (audited)	3,032,662	480,903	11,156,553	465,038	15,135,156
Insurance revenue					
PAA premium reserve release	(20,428,583)	-	-	-	(20,428,583)
Total - insurance revenue	(20,428,583)	-	-	-	(20,428,583)
Insurance service expenses					
Incurred claims and other insurance service expenses					
Risk adjustment release gross	-	-	-	(330,262)	(330,262)
New claims incurred over the period (PV)	-	-	6,297,114	-	6,297,114
New claims incurred over the period (RA)	-	-	-	321,843	321,843
Incurred claims settled in the period	-	-	131,746	-	131,746
Amortisation of insurance acquisition cash flows	914,852	-	-	-	914,852
Increase in existing incurred claims reserves					
Increase in incurred claim liability (PV)	-	-	897,549	-	897,549
Increase in incurred claim liability (RA)	-	-	-	56,074	56,074
Claims and expenses paid	-	-	11,108,357	-	11,108,357
Release for Incurred claims expected over the period	-	-	(8,734,774)	-	(8,734,774)
Increase in onerous liability (PAA)	-	5,762	-	-	5,762
Total - insurance service expenses	914,852	5,762	9,699,992	47,655	10,668,261
Insurance service result	(19,513,731)	5,762	9,699,992	47,655	(9,760,322)
Insurance finance expense					
Interest expense on PV incurred claims reserves	-	-	424,707	-	424,707
Discount rate change on PV incurred claims reserves	-	-	(716)	-	(716)
Total - insurance finance expenses	-	-	423,991	-	423,991
Total changes	(19,513,731)	5,762	10,123,983	47,655	(9,336,331)
Cash flows					
Premiums received	19,154,350	-	-	-	19,154,350
Claims and other expenses paid, including investment component	-	-	(11,108,356)	-	(11,108,356)
Total - cash flows	19,154,350	-	(11,108,356)	-	8,045,994
Additional Items					
Deferred acquisition cost cashflow	(827,009)	-	-	-	(827,009)
Total - additional items	(827,009)	-	-	-	(827,009)
Insurance contract liabilities (31 December 2024) (audited)	1,846,272	486,665	10,172,180	512,693	13,017,810

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

31 Insurance and reinsurance contracts (continued)

Movement in insurance contract liabilities analysed between liabilities for remaining coverage and incurred claims (continued)

General insurance

	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding onerous contracts component	Onerous contracts component	PAA present value of cash flows	PAA risk adjustment	
Insurance contract liabilities (1 January 2024) (audited)	3,032,663	480,902	11,156,552	465,039	15,135,156
Insurance revenue					
PAA premium reserve release	(15,565,732)	-	-	-	(15,565,732)
Total - insurance revenue	(15,565,732)	-	-	-	(15,565,732)
Insurance service expenses					
Incurred claims and other insurance service expenses					
Risk adjustment release gross	-	-	-	(291,935)	(291,935)
New claims incurred over the period (PV)	-	-	5,918,782	-	5,918,782
New claims incurred over the period (RA)	-	-	-	331,314	331,314
Incurred claims settled in the period	-	-	17,918	-	17,918
Amortisation of insurance acquisition cash flows	666,299	-	-	-	666,299
Increase in existing incurred claims reserves					
Increase in incurred claim liability (PV)	-	-	399,331	-	399,331
Increase in incurred claim liability (RA)	-	-	-	40,639	40,639
Claims and expenses paid	-	-	8,875,167	-	8,875,167
Release for Incurred claims expected over the period	-	-	(7,689,876)	-	(7,689,876)
Increase in onerous liability (PAA)	-	192,048	-	-	192,048
Total - insurance service expenses	666,299	192,048	7,521,322	80,018	8,459,687
Insurance service result	(14,899,433)	192,048	7,521,322	80,018	(7,106,045)
Insurance finance expense					
Interest expense on PV incurred claims reserves	-	-	365,288	-	365,288
Discount rate change on PV incurred claims reserves	-	-	5,781	-	5,781
Total - insurance finance expenses	-	-	371,069	-	371,069
Total changes	(14,899,433)	192,048	7,892,391	80,018	(6,734,976)
Cash flows					
Premiums received	16,595,963	-	-	-	16,595,963
Claims and other expenses paid, including investment component	-	-	(8,875,167)	-	(8,875,167)
Total - cash flows	16,595,963	-	(8,875,167)	-	7,720,796
Additional Items					
Deferred acquisition cost cashflow	(665,648)	-	-	-	(665,648)
Total - additional items	(665,648)	-	-	-	(665,648)
Insurance contract liabilities (30 September 2024) (unaudited)	4,063,545	672,950	10,173,776	545,057	15,455,328

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

31 Insurance and reinsurance contracts (continued)

Movement in insurance contract liabilities analysed between liabilities for remaining coverage and incurred claims (continued)

Life insurance

Insurance contract liabilities (1 January 2025) (audited)

Changes that relate to current service

Changes that relate to future service

Changes that relate to past service

Insurance service

Insurance finance expenses

Total changes

Cash flows

Insurance contract liabilities (30 September 2025) (unaudited)

Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
1,437,287	28,896	275,280	1,741,463
(15,880)	(12,610)	(56,306)	(84,796)
3,517	957	(4,984)	(510)
(334,485)	-	-	(334,485)
(346,848)	(11,653)	(61,290)	(419,791)
19,929	1,223	10,317	31,469
(326,919)	(10,430)	(50,973)	(388,322)
(169,040)	-	-	(169,040)
941,328	18,466	224,307	1,184,101

Insurance contract liabilities (1 January 2024) (audited)

Changes that relate to current service

Changes that relate to future service

Changes that relate to past service

Insurance service

Insurance finance expenses

Total changes

Cash flows

Insurance contract liabilities (31 December 2024) (audited)

Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
1,914,057	36,141	201,111	2,151,309
(353,451)	(17,747)	(97,915)	(469,113)
(173,688)	8,145	162,001	(3,542)
103,700	-	-	103,700
(423,439)	(9,602)	64,086	(368,955)
53,538	2,357	10,083	65,978
(369,901)	(7,245)	74,169	(302,977)
(106,869)	-	-	(106,869)
1,437,287	28,896	275,280	1,741,463

Insurance contract liabilities (1 January 2024) (audited)

Changes that relate to current service

Changes that relate to future service

Changes that relate to past service

Insurance service

Insurance finance expenses

Total changes

Cash flows

Insurance contract liabilities (30 September 2024) (unaudited)

Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
1,914,058	36,141	201,110	2,151,309
(261,674)	(13,857)	(23,303)	(298,834)
2,593	15,045	2,078	19,716
54,698	-	-	54,698
(204,383)	1,188	(21,225)	(224,420)
45,804	1,741	7,228	54,773
(158,579)	2,929	(13,997)	(169,647)
(96,304)	-	-	(96,304)
1,659,175	39,070	187,113	1,885,358

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

31 Insurance and reinsurance contracts (continued)

Movement in insurance contract liabilities analysed between liabilities for remaining coverage and incurred claims (continued)

General insurance

	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding onerous contracts component	Onerous contracts component	PAA present value of cash flows	PAA risk adjustment	
Reinsurance contract assets (1 January 2025) (audited)	984,751	186,322	5,131,025	265,728	6,567,826
Insurance revenue					
PAA premium reserve release	(10,222,917)	-	-	-	(10,222,917)
PAA Loss recovery release	-	(186,322)	-	-	(186,322)
Total - insurance revenue	(10,222,917)	(186,322)	-	-	(10,409,239)
Insurance service expenses					
Incurred claims and other insurance service expenses					
Risk adjustment release gross	-	-	-	(192,891)	(192,891)
New claims incurred over the period (PV)	-	-	3,624,935	-	3,624,935
New claims incurred over the period (RA)	-	-	-	153,299	153,299
Incurred claims settled in the period	-	-	(129,461)	-	(129,461)
Amortisation of insurance acquisition cash flows	722,715	-	-	-	722,715
Increase in existing incurred claims reserves					
Increase in incurred claim liability (PV)	-	-	1,435,213	-	1,435,213
Increase in incurred claim liability (RA)	-	-	-	52,265	52,265
Claims and expenses paid	-	-	2,273,197	-	2,273,197
Release for Incurred claims expected over the period	-	-	(3,750,057)	-	(3,750,057)
Increase in Loss Recovery Component (PAA)	-	302,418	-	-	302,418
Total - insurance service expenses	722,715	302,418	3,453,827	12,673	4,491,633
Insurance service result	(9,500,202)	116,096	3,453,827	12,673	(5,917,606)
Insurance finance expense					
Interest expense on PV incurred claims reserves	-	-	131,641	-	131,641
Discount rate change on PV incurred claims reserves	-	-	8,210	-	8,210
Total - insurance finance expenses	-	-	139,851	-	139,851
Total changes	(9,500,202)	116,096	3,593,678	12,673	(5,777,755)
Cash flows					
Premiums received	11,572,023	-	-	-	11,572,023
Claims and other expenses paid, including investment component	-	-	(2,273,197)	-	(2,273,197)
Total - cash flows	11,572,023	-	(2,273,197)	-	9,298,826
Additional Items					
Deferred acquisition cost cashflow	(790,724)	-	-	-	(790,724)
Total - additional items	(790,724)	-	-	-	(790,724)
Reinsurance contract assets (30 September 2025) (unaudited)	2,265,848	302,418	6,451,506	278,401	9,298,173

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

31 Insurance and reinsurance contracts (continued)

Movement in insurance contract liabilities analysed between liabilities for remaining coverage and incurred claims (continued)

General insurance

	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding onerous contracts component	Onerous contracts component	PAA present value of cash flows	PAA risk adjustment	
Reinsurance contract assets (1 January 2024) (audited)	776,192	-	5,977,126	278,103	7,031,421
Insurance revenue					
PAA premium reserve release	(15,569,309)	-	-	-	(15,569,309)
Total - insurance revenue	(15,569,309)	-	-	-	(15,569,309)
Insurance service expenses					
Incurred claims and other insurance service expenses					
Risk adjustment release gross	-	-	-	(217,288)	(217,288)
New claims incurred over the period (PV)	-	-	3,089,051	-	3,089,051
New claims incurred over the period (RA)	-	-	-	157,761	157,761
Incurred claims settled in the period	-	-	446,432	-	446,432
Amortisation of insurance acquisition cash flows	1,226,767	-	-	-	1,226,767
Increase in existing incurred claims reserves					
Increase in incurred claim liability (PV)	-	-	802,285	-	802,285
Increase in incurred claim liability (RA)	-	-	-	47,152	47,152
Claims and expenses paid	-	-	4,492,239	-	4,492,239
Release for Incurred claims expected over the period	-	-	(5,392,515)	-	(5,392,515)
Increase in Loss Recovery Component (PAA)	-	186,322	-	-	186,322
Total - insurance service expenses	1,226,767	186,322	3,437,492	(12,375)	4,838,206
Insurance service result	(14,342,542)	186,322	3,437,492	(12,375)	(10,731,103)
Insurance finance expense					
Interest expense on PV incurred claims reserves	-	-	208,970	-	208,970
Discount rate change on PV incurred claims reserves	-	-	(324)	-	(324)
Total - insurance finance expenses	-	-	208,646	-	208,646
Total changes	(14,342,542)	186,322	3,646,138	(12,375)	(10,522,457)
Cash flows					
Premiums received	15,658,952	-	-	-	15,658,952
Claims and other expenses paid, including investment component	-	-	(4,492,239)	-	(4,492,239)
Total - cash flows	15,658,952	-	(4,492,239)	-	11,166,713
Additional Items					
Deferred acquisition cost cashflow	(1,107,851)	-	-	-	(1,107,851)
Total - additional items	(1,107,851)	-	-	-	(1,107,851)
Reinsurance contract assets (31 December 2024) (audited)	984,751	186,322	5,131,025	265,728	6,567,826

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

31 Insurance and reinsurance contracts (continued)

Movement in insurance contract liabilities analysed between liabilities for remaining coverage and incurred claims (continued)

General insurance

	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding onerous contracts component	Onerous contracts component	PAA present value of cash flows	PAA risk adjustment	
Reinsurance contract assets (1 January 2024) (audited)	828,428	-	5,927,776	275,991	7,032,195
Reinsurance contract liabilities (1 January 2024) (audited)	(52,237)	-	49,351	2,112	(774)
	776,191	-	5,977,127	278,103	7,031,421
Insurance revenue					
PAA premium reserve release	(11,551,260)	-	-	-	(11,551,260)
Total - insurance revenue	(11,551,260)	-	-	-	(11,551,260)
Insurance service expenses					
Incurring claims and other insurance service expenses					
Risk adjustment release gross	-	-	-	(197,503)	(197,503)
New claims incurred over the period (PV)	-	-	2,773,416	-	2,773,416
New claims incurred over the period (RA)	-	-	-	150,568	150,568
Incurred claims settled in the period	-	-	308,418	-	308,418
Amortisation of insurance acquisition cash flows	828,284	-	-	-	828,284
Increase in existing incurred claims reserves					
Increase in incurred claim liability (PV)	-	-	552,274	-	552,274
Increase in incurred claim liability (RA)	-	-	-	33,522	33,522
Claims and expenses paid	-	-	3,574,979	-	3,574,979
Release for Incurred claims expected over the period	-	-	(4,820,336)	-	(4,820,336)
Increase in Loss Recovery Component (PAA)	-	239,040	-	-	239,040
Total - insurance service expenses	828,284	239,040	2,388,751	(13,413)	3,442,662
Insurance service result	(10,722,976)	239,040	2,388,751	(13,413)	(8,108,598)
Insurance finance expense					
Interest expense on PV incurred claims reserves	-	-	183,523	-	183,523
Discount rate change on PV incurred claims reserves	-	-	2,840	-	2,840
Total - insurance finance expenses	-	-	186,363	-	186,363
Total changes	(10,722,976)	239,040	2,575,114	(13,413)	(7,922,235)
Cash flows					
Premiums received	13,464,484	-	-	-	13,464,484
Claims and other expenses paid, including investment component	-	-	(3,574,979)	-	(3,574,979)
Total - cash flows	13,464,484	-	(3,574,979)	-	9,889,505
Additional Items					
Deferred acquisition cost cashflow	(820,065)	-	-	-	(820,065)
Total - additional items	(820,065)	-	-	-	(820,065)
Reinsurance contract assets (30 September 2024) (unaudited)	2,758,989	239,040	4,923,099	263,212	8,184,340
Reinsurance contract liabilities (30 September 2024) (unaudited)	(61,355)	-	54,163	1,478	(5,714)
	2,697,634	239,040	4,977,262	264,690	8,178,626

Muscat Insurance Company SAOG
Notes to the unaudited interim condensed financial statements
for the nine-month period ended 30 September 2025
(Expressed in Omani Rial)

31 Insurance and reinsurance contracts (continued)

Movement in insurance contract liabilities analysed between liabilities for remaining coverage and incurred claims (continued)

Life insurance

Reinsurance contract assets (1 January 2025) (audited)

Changes that relate to current service

Changes that relate to future service

Changes that relate to past service

Insurance service

Insurance finance expenses

Total changes

Cash flows

Reinsurance contract assets (30 September 2025) (unaudited)

Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
1,169,921	23,504	273,383	1,466,808
(22,929)	(10,136)	(62,294)	(95,359)
2,856	714	(4,028)	(458)
(285,829)	-	-	(285,829)
(305,902)	(9,422)	(66,322)	(381,646)
15,155	994	10,231	26,380
(290,747)	(8,428)	(56,091)	(355,266)
(109,199)	-	-	(109,199)
769,975	15,076	217,292	1,002,343

Reinsurance contract assets (1 January 2024) (audited)

Changes that relate to current service

Changes that relate to future service

Changes that relate to past service

Insurance service

Insurance finance expenses

Total changes

Cash flows

Reinsurance contract assets (31 December 2024) (audited)

Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
1,599,468	30,827	177,126	1,807,421
(378,946)	(15,205)	(110,896)	(505,047)
(207,985)	5,866	198,930	(3,189)
123,171	-	-	123,171
(463,760)	(9,339)	88,034	(385,065)
46,691	2,016	8,223	56,930
(417,069)	(7,323)	96,257	(328,135)
(12,478)	-	-	(12,478)
1,169,921	23,504	273,383	1,466,808

Reinsurance contract assets (1 January 2024) (audited)

Changes that relate to current service

Changes that relate to future service

Changes that relate to past service

Insurance service

Insurance finance expenses

Total changes

Cash flows

Reinsurance contract assets (30 September 2024) (unaudited)

Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
1,599,467	30,827	177,127	1,807,421
(292,433)	(11,876)	(26,491)	(330,800)
(14,841)	12,611	18,767	16,537
81,517	-	-	81,517
(225,757)	735	(7,724)	(232,746)
39,192	1,489	6,303	46,984
(186,565)	2,224	(1,421)	(185,762)
(11,601)	-	-	(11,601)
1,401,301	33,051	175,706	1,610,058