



DIRECTORS' REPORT

FOR THREE MONTHS ENDED 31 MARCH 2019

Dear Shareholders,

On behalf of the Board of Directors of National Life & General Insurance Co SAOG ("the Company" or "NLGIC"), I have the pleasure to present to you the unaudited results of the group for the three months period ended 31 March 2019.

Performance Highlights

Amounts in RO '000	Jan-Mar 2019	Jan-Mar 2018	Variance
Gross premium	54,794	48,773	12%
Net Underwriting Result	5,714	5,688	0%
Investment Income	626	823	-24%
Profit after Tax	2,704	3,006	-10%

Insurance Operations and Net Underwriting Results:

Gross Written Premium (GWP) has grown by 12% to RO 54.8 million as compared to RO 48.8 million in the corresponding period of the previous year. Group medical business in Oman has been the key contributor to the growth in GWP during the first quarter.

Segments	% of growth in GWP Mar 2019 as compared to Mar 2018
Oman - Life & Health Operations	50%
Oman - General Operations	2%
UAE - Life & Health Operations	-5%
TOTAL	12%

The Net Underwriting Result (NUR) of RO 5.7 million is in line with the corresponding period of the previous year.

Investments:

Investment Income has decreased by 24% to RO 0.6 million as compared to RO 0.8 million in the corresponding period of the previous year. The reduction in investment is mainly from unrealized loss in Oman equities. The company has invested in higher yielding bonds which are expected to improve the investment income over the coming months.

Net Profit After Tax (NPAT):

The Company has achieved healthy NPAT of RO 2.7 million in it's first quarter. The results are 10% lower than the NPAT of the previous year, mainly due to reduced investment income. We remain confident for the year ahead.

Risk & Internal Control Review

The Board attaches significant importance to risk management and robust internal control environment. The company has appropriate systems of internal controls and the Board along with the Audit and Controls Committee periodically reviews its effectiveness. The Company has Board approved risk policies for identification, measurement, monitoring and controls relating to various individual risks namely strategic, regulatory, financial, operational, information technology, hazard and disaster risks.

Recent events and Future Outlook

As a part of it's continued effort to enhance customer experience, the Company has launched Mobile app for customers to avail the company's varied products. The Company has opened two new branches in Shinas and Suwaiq as well as a claims service center in Maabela during the first quarter of 2019. The Company aims to maintain its leadership position in Oman and increase its market share in UAE, along with sustained profitability and consistent results across the key performance indicators such as gross written premiums, net underwriting results, investment income and net profits.

Acknowledgements

I take this opportunity to thank our esteemed shareholders, partners and regulators for their continued support and trust. I would also like to thank the management team and all our employees for their hard work and commitment.

We are profoundly thankful to His Majesty Sultan Qaboos Bin Said for his great vision and wise leadership for the steady growth, stability and enduring prosperity of our great country.



Khalid Muhammad AlZubair
Chairman

**NATIONAL LIFE AND GENERAL INSURANCE
COMPANY SAOG AND ITS SUBSIDIARIES**

**UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31st MARCH 2019**

Principal place of business:

Building No: 115, Plot No: 133
Block No: 146, Way No: 4202
Greater Muttrah, Muscat
Sultanate of Oman.

Registered address:

P.O. Box 798
Postal Code 117
Wadi Kabir
Sultanate of Oman

NATIONAL LIFE AND GENERAL INSURANCE COMPANY SAOG AND ITS SUBSIDIARIES

**UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31st MARCH 2019**

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NATIONAL LIFE AND GENERAL INSURANCE COMPANY SAOG AND ITS SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31st March 2019

	Notes	31 March 2019 RO (Unaudited)	31 December 2018 RO (Audited)	31 March 2018 RO (Unaudited)
ASSETS				
Cash and cash equivalents	4	8,478,073	17,818,846	8,953,167
Bank deposits	5	34,900,920	34,896,420	44,795,477
Premiums and insurance balance receivables	7	73,641,835	43,750,195	54,323,552
Reinsurers' share of outstanding claims	12	12,582,618	9,720,551	14,371,329
Reinsurers' share of actuarial / mathematical and unexpired risk reserve	13	18,492,434	18,407,967	21,631,671
Other receivables and prepayments		6,163,546	4,727,341	4,293,904
Investments at fair value through profit or loss	6(a)	645,288	1,292,498	2,036,685
Investments carried at amortised cost	6(b)	9,248,241	2,871,739	18,662
Investments carried at fair value through other comprehensive income	6(c)	23,425,961	21,153,006	12,756,093
Loans to policyholders		213,504	218,374	264,233
Investment property	9	-	-	1,150,000
Property and equipment		5,694,744	5,646,648	1,694,431
Deferred tax asset	19	309,304	290,128	204,308
Intangible Assets (including Goodwill)		513,941	519,839	336,830
Total assets		194,310,409	161,313,552	166,830,342
EQUITY AND LIABILITIES				
EQUITY				
Capital and reserves				
Share capital	10	26,500,000	26,500,000	26,500,000
Legal reserve		6,011,264	5,740,890	5,110,952
Contingency reserve		9,974,363	9,354,092	8,284,254
Revaluation reserve		447,420	447,420	447,420
Fair value reserve		(1,156,913)	(1,064,317)	(948,525)
Foreign exchange fluctuation reserve		(2,627)	(1,282)	8,755
Retained earnings		9,195,254	12,681,669	8,457,614
Total equity		50,968,761	53,658,472	47,860,470
LIABILITIES				
Gross outstanding claims	12	33,949,504	25,048,008	35,739,797
Gross actuarial / mathematical and unexpired risk reserve	13	71,017,305	52,962,614	62,259,991
Due to reinsurers	14	9,149,632	2,554,304	5,370,116
Other liabilities	15	24,243,335	25,477,097	14,244,259
Short term loan and overdraft from banks		4,500,000	-	850,000
Income tax payable	19	481,872	1,613,057	505,709
Total liabilities		143,341,648	107,655,080	118,969,872
Total equity and liabilities		194,310,409	161,313,552	166,830,342
Net assets per share	17	0.192	0.202	0.181

The unaudited interim condensed consolidated financial statements were approved by the Board of Directors on 28 April 2019 and were signed on their behalf by


Chairman


Chief Executive Officer

The attached notes 1 to 25 form part of these unaudited interim condensed consolidated financial statements.

NATIONAL LIFE AND GENERAL INSURANCE COMPANY SAOG AND ITS SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended 31 March 2019

	Notes	31 March 2019 RO (Unaudited)	31 March 2018 RO (Unaudited)
Operating activities			
Profit before taxation		3,068,008	3,510,692
Adjustments for:			
Net (loss) / gain on investments at fair value through profit or loss		138,709	34,993
Expected credit loss of financial assets		321	6,541
Allowance for impaired debts		128,370	31,453
Accrual for end on service benefits		63,467	57,343
Interest income	18	(453,695)	(493,147)
Finance cost		527	1,908
Dividend income	18	(317,257)	(374,157)
Expense from investment property	18	-	3,251
Depreciation		195,782	133,355
Amortisation of Intangible Assets		5,899	-
Profit on disposal of property and equipment		(3,314)	-
		2,826,817	2,912,232
Changes in working capital:			
Premium and insurance balances receivable		(30,020,010)	(15,890,569)
Other receivables and prepayments		(1,166,597)	(524,994)
Reinsurers' share of outstanding claims		(2,862,067)	(5,716,653)
Reinsurers' share of actuarial / mathematical and unexpired risk reserve		(84,467)	(6,690,793)
Gross outstanding claims		8,901,496	13,317,862
Actuarial / mathematical and unexpired risk reserve		18,054,691	16,503,200
Due to reinsurers		6,595,328	2,560,630
Other liabilities		(6,574,380)	(10,057,551)
		(4,329,189)	(3,586,636)
End of service benefits paid		(10,399)	(11,413)
Income tax paid		(1,519,730)	(1,505,210)
Net cash (used in) / from operating activities		(5,859,318)	(5,103,259)
Investing activities			
Placement in bank deposits (net)		-	4,595,742
Purchase of property and equipment		(243,878)	(391,568)
Purchase of investment securities		(8,927,353)	(13,776)
Proceeds from disposal of investment securities		696,161	574,192
Proceeds from disposal of property and equipment		3,315	-
Interest received		411,294	124,786
Dividends received		77,598	208,363
Expense on investment property	18	-	(3,251)
Net movement in loans to policyholders		4,870	(5,009)
Net cash used in investing activities		(7,977,993)	5,089,479
Financing activities			
Finance cost paid		(527)	(1,908)
Short term loans		4,500,000	850,000
Net cash (used in) / from financing activities		4,499,473	848,092
Net changes in cash and cash equivalents		(9,337,838)	834,312
Currency translation adjustment		(1,345)	(777)
Cash and cash equivalents at the beginning of the period	4	17,818,846	8,119,632
		8,479,663	8,953,167
ECL on closing cash and bank balances		(1,590)	-
Cash and cash equivalents at the end of the period	4	8,478,073	8,953,167

The attached notes 1 to 25 form part of these unaudited interim condensed consolidated financial statements.

NATIONAL LIFE AND GENERAL INSURANCE COMPANY SAOG AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the three months ended 31 March 2019

1 Legal status and principal activities

National Life and General Insurance Company SAOG (the Company or the Parent Company) 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 Group 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 Group has obtained licence for branch operations in Kuwait and the branch has commenced insurance operations during the first quarter of 2018.

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.

2 Basis of preparation and accounting policies

These unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' using the same accounting policies, basis of consolidation and methods of computations as those used in the consolidated financial statements for the year ended 31 December 2018. The interim condensed consolidated financial statements do not contain all the information and disclosures required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and should be read in conjunction with the annual financial statements as at 31 December 2018, which have been prepared in accordance with International Financial Reporting Standards (IFRS). In addition, the results for the three month period ended 31 March 2019 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2019.

The comparative information, included in these unaudited interim condensed consolidated financial statements as at 31 March 2018, are for the three month period then ended and is unaudited.

The Parent Company has two fully owned subsidiaries "NLGIC Support Services Private Limited" in India and "Inayah TPA LLC" in UAE due to which consolidated financial Statements comprise of the Parent Company and its subsidiaries (together referred to as the Group).

2.2 Changes in accounting policy and disclosures

(a) New and amended standards and interpretations effective after 1 January 2019 and relevant for the company's operations

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2018

The Group has adopted standard, interpretation or amendment that has been issued and is effective as at 01 January 2019. Although these amendments apply for the first time in 2019, they do not have a material impact on the interim condensed consolidated financial statements of the Group.

(b) Standards, amendments or interpretations to existing standards which are relevant for the group but are not yet effective and have not been early adopted by the group.

Certain new standards, amendments to standards and interpretations are not yet effective for the three months ended 31 March 2019, with the Group not opting for early adoption. These have, therefore, not been applied in preparing these unaudited interim condensed consolidated financial statements. Details of these standards should be read in conjunction with the annual financial statements as at 31 December 2018.

NATIONAL LIFE AND GENERAL INSURANCE COMPANY SAOG AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the three months ended 31 March 2019

3 Critical accounting judgment and key sources of estimation uncertainty

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

In preparing these unaudited interim condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and estimates which should be read in conjunction with the annual financial statements as at 31 December 2018.

4 Cash and cash equivalents

	31 March 2019 RO (Unaudited)	31 December 2018 RO (Audited)	31 March 2018 RO (Unaudited)
Deposits with banks for less than 90 days	-	-	2,592,840
Balances with banks	8,477,065	17,821,098	6,348,058
Cash in hand	20,003	15,152	12,269
Less: ECL on cash and bank balances	(18,995)	(17,404)	-
Cash and cash equivalents	<u>8,478,073</u>	<u>17,818,846</u>	<u>8,953,167</u>

5 Bank deposits

	31 March 2019 RO (Unaudited)	31 December 2018 RO (Audited)	31 March 2018 RO (Unaudited)
Deposits	34,942,069	34,942,069	40,103,173
Subordinated deposits	-	-	5,000,000
Less: ECL on bank deposits	(41,149)	(45,649)	(307,696)
	<u>34,900,920</u>	<u>34,896,420</u>	<u>44,795,477</u>

6 Investment securities

	31 March 2019 RO (Unaudited)	31 December 2018 RO (Audited)	31 March 2018 RO (Unaudited)
Investments at fair value through profit or loss	6(a) 645,288	1,292,498	2,036,685
Investments carried at amortised cost	6(b) 9,248,241	2,871,739	18,662
Investment carried at fair value through other comprehensive income	6(c) 23,425,961	21,153,006	12,756,093
	<u>33,319,490</u>	<u>25,317,243</u>	<u>14,811,440</u>

NATIONAL LIFE AND GENERAL INSURANCE COMPANY SAOG AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended 30 March 2019

6 Investment securities (continued)

6(a) Investments at fair value through profit or loss

	31 March 2019		31 December 2018		31 March 2018	
	Market value	Cost	Market value	Cost	Market value	Cost
	RO	RO	RO	RO	RO	RO
	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Unaudited)	(Unaudited)
Quoted local						
Banking and investment Services	645,288	1,055,244	1,292,498	1,647,791	782,354	937,435
	-	-	-	-	1,254,331	1,118,018
	<u>645,288</u>	<u>1,055,244</u>	<u>1,292,498</u>	<u>1,647,791</u>	<u>2,036,685</u>	<u>2,055,453</u>

(i) Movement in investments at fair value through profit or loss:

	31 March 2019	31 December 2018	31 March 2018
	RO	RO	RO
	(Unaudited)	(Audited)	(Unaudited)
At 1 January	1,292,498	2,571,628	2,571,628
Additions during the period / year	-	1,104,671	13,776
Disposals during the period / year at cost	(508,501)	(2,134,768)	(513,726)
Realised gain on disposal (note 18)	22,051	(18,257)	40,638
Fair value changes (note 18)	(160,760)	(230,776)	(75,631)
At 31 March / 31 December	<u>645,288</u>	<u>1,292,498</u>	<u>2,036,685</u>

6 (b) Investments carried at amortised cost

	31 March 2019	31 December 2018	31 March 2018
	RO	RO	RO
	(Unaudited)	(Audited)	(Unaudited)
Bonds - over one year from the date of inception	9,255,299	2,883,683	18,662
Less: ECL on Investments carried at amortised cost	(7,058)	(11,944)	-
	<u>9,248,241</u>	<u>2,871,739</u>	<u>18,662</u>
Annual interest rates	<u>4% to 6.75%</u>	<u>4% to 5.75%</u>	<u>4%</u>

(i) Movement in investments carried at amortised cost:

	31 March 2019	31 December 2018	31 March 2018
	RO	RO	RO
	(Unaudited)	(Audited)	(Unaudited)
At 1 January	2,871,739	18,662	18,662
Additions during the period / year	6,371,616	2,876,320	-
Matured during the period / year	-	(11,299)	-
Amortisation during the period / year	-	-	-
Realised gain on maturity (note 18)	-	-	-
Movement in Expected credit losses	4,886	(11,944)	-
At 31 March / 31 December	<u>9,248,241</u>	<u>2,871,739</u>	<u>18,662</u>

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NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended 31 March 2019
6 Investment securities (continued)
6 (c) Investments carried at fair value through other comprehensive income

	31 March 2019		31 December 2018		31 March 2018	
	Market value RO (Unaudited)	Cost RO (Unaudited)	Market value RO (Audited)	Cost RO (Audited)	Market value RO (Unaudited)	Cost RO (Unaudited)
Local						
Unquoted	-	-	-	-	-	-
Quoted	14,607,586	14,794,849	13,357,014	13,414,653	4,629,982	4,700,117
	<u>14,607,586</u>	<u>14,794,849</u>	<u>13,357,014</u>	<u>13,414,653</u>	<u>4,629,982</u>	<u>4,700,117</u>
Foreign						
Unquoted	119,579	853,449	119,579	853,448	138,260	917,650
Quoted	8,698,796	9,218,360	7,676,413	8,229,990	7,987,851	8,229,990
	<u>8,818,375</u>	<u>10,071,809</u>	<u>7,795,992</u>	<u>9,083,438</u>	<u>8,126,111</u>	<u>9,147,640</u>
	<u>23,425,961</u>	<u>24,866,658</u>	<u>21,153,006</u>	<u>22,498,091</u>	<u>12,756,093</u>	<u>13,847,757</u>

(i) Movement in investments carried at fair value through other comprehensive income:

	31 March 2019 RO (Unaudited)	31 December 2018 RO (Audited)	31 March 2018 RO (Unaudited)
At 1 January	21,153,006	12,930,004	12,930,004
Transition adjustment on adoption of IFRS-9	-	-	(34,792)
At 1 January (Adjusted)	<u>21,153,006</u>	<u>12,930,004</u>	<u>12,895,212</u>
Additions during the period / year	2,555,737	9,714,536	-
Disposals during the period / year	(187,660)	(1,125,385)	(60,466)
Realised gain on disposal	489	(25,614)	10,466
Fair value change	(95,611)	(340,535)	(89,208)
Movement in Investment Impairment Adjustment-IFRS 9	-	-	89
At 31 March / 31 December	<u>23,425,961</u>	<u>21,153,006</u>	<u>12,756,093</u>

6 (d) Investment in subsidiaries

	Country	Holding %	31 March 2019	31 December 2018	31 March 2018
			Carrying value RO	Carrying value RO	Carrying value RO
NLGIC support services Pvt. Ltd. (NSSPL)	India	100.00	209,272	194,690	173,417
Inayah TPA LLC	UAE	100.00	891,690	918,681	610,366
			<u>1,100,962</u>	<u>1,113,371</u>	<u>783,783</u>

NATIONAL LIFE AND GENERAL INSURANCE COMPANY SAOG AND ITS SUBSIDIARIES
NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended 31 March 2019

7	Premiums and insurance balance receivables	31 March 2019			31 December 2018			31 March 2018		
		Life RO (Unaudited)	General RO (Unaudited)	Total RO (Unaudited)	Life RO (Audited)	General RO (Audited)	Total RO (Audited)	Life RO (Unaudited)	General RO (Unaudited)	Total RO (Unaudited)
	Premium receivable	55,274,449	3,791,572	59,066,021	30,409,303	3,279,045	33,688,348	50,092,575	3,583,144	53,675,719
	Reinsurance balances receivable	15,678,497	81,218	15,759,715	11,013,154	104,224	11,117,378	836,064	746,992	1,583,056
		70,952,946	3,872,790	74,825,736	41,422,457	3,383,269	44,805,726	50,928,639	4,330,136	55,258,775
	Allowance for impaired debts	(857,182)	(326,719)	(1,183,901)	(735,001)	(320,530)	(1,055,531)	(696,794)	(238,429)	(935,223)
		70,095,764	3,546,071	73,641,835	40,687,456	3,062,739	43,750,195	50,231,845	4,091,707	54,323,552
	Movement in allowance for impaired debts									
	At 1 January	735,001	320,530	1,055,531	697,075	206,695	903,770	697,075	206,695	903,770
	Provided during the period /									
	year	122,181	6,189	128,370	77,348	117,418	194,766	(281)	31,734	31,453
	Written off during the period /									
	year	-	-	-	(39,422)	(3,583)	(43,005)	-	-	-
	At 31 March / 31 December	857,182	326,719	1,183,901	735,001	320,530	1,055,531	696,794	238,429	935,223

NATIONAL LIFE AND GENERAL INSURANCE COMPANY SAOG AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the three months ended 31 March 2019

8 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 statement of financial position at a total value of RO 33,523,291 (31 December 2018 - RO 30,884,931 and 31 March 2018 - RO 34,334,464). Under the terms of the legislation, the Group can transfer these assets only with the prior approval of the Capital Market Authority.

In accordance with the law governing the operation of insurance companies within the United Arab Emirates, and Kuwait the Group has identified to the Insurance Authority, Abu Dhabi - UAE and The Ministry of Commerce and Industry, Kuwait certain specific fixed deposits included in the statement of financial position at a total value of RO 459,034 (31 December 2018 - RO 459,034 and 31 March 2018 - RO 441,405) and RO 1,274,000 (31 December 2018 - RO 1,274,000 and 31 March 2018 - 1,274,000) respectively. Under the terms of the legislation, the Group can transfer these assets only with the prior approval of the respective authorities.

The Group has provided bank guarantee of RO 50,000 (31 December 2018 - RO 50,000 and 31 March 2018 - RO 50,000) to the Oman Unified Bureau for the Orange Card which is secured by a fixed deposit.

The Group has an overdraft facility of RO 1,900,000 with local bank 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.

9 Investment property

Investment property is stated at fair value (level 2), which has been determined based on the valuations performed by Hamptons International at least once in a year. Hamptons International is an industry specialist in valuing these types of investment properties.

Movement in value of investment property is set out below:

	31 March 2019 RO (Unaudited)	31 December 2018 RO (Audited)	31 March 2018 RO (Unaudited)
At 1 January	-	1,150,000	1,150,000
Fair value change	-	30,000	-
Reclassification to Property and Equipment	-	(1,180,000)	-
At 31 March / 31 December	<u>-</u>	<u>-</u>	<u>1,150,000</u>
Valuation Date	<u>NA</u>	<u>31 December 2018</u>	<u>31 December 2017</u>

10 Share capital

	31 March 2019 RO (Unaudited)	31 December 2018 RO (Audited)	31 March 2018 RO (Unaudited)
At 31 March / 31 December	<u>26,500,000</u>	<u>26,500,000</u>	<u>26,500,000</u>
Nominal Value per share	RO 0.100	RO 0.100	RO 0.100
Number of shares	265,000,000	265,000,000	265,000,000

11 Dividends paid

Shareholders in annual general meeting dated 27 March 2019 (2018 - annual general meeting dated 28 March 2018) approved cash dividend of RO 5,300,000 (31 December 2018 - cash dividend of RO 4,202,900) which was subsequently paid.

NATIONAL LIFE AND GENERAL INSURANCE COMPANY SAOG AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the three months ended 31 March 2019

12 Claims	31 March 2019		31 December 2018		31 March 2018	
	Life and general	Reinsurers' share of	Net	Gross	Net	Gross
	outstanding claims RO	outstanding claims RO	outstanding claims RO	outstanding claims RO	outstanding claims RO	outstanding claims RO
At 1 January	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)
- Claims incurred	17,004,173	(6,343,482)	10,660,691	14,922,354	9,358,023	14,922,354
- Incurred but not reported	8,043,835	(3,377,069)	4,666,766	7,499,581	4,409,236	7,499,581
	<u>25,048,008</u>	<u>(9,720,551)</u>	<u>15,327,457</u>	<u>22,421,935</u>	<u>13,767,259</u>	<u>22,421,935</u>
Add: Claims provided during the period / year	27,761,112	(9,787,156)	17,973,956	101,156,584	59,704,454	23,145,408
Less: Claims paid during the period / year	(18,859,616)	6,925,089	(11,934,527)	(98,530,511)	(58,144,256)	(9,827,546)
At 31 March / 31 December	<u>33,949,504</u>	<u>(12,582,618)</u>	<u>21,366,886</u>	<u>25,048,008</u>	<u>15,327,457</u>	<u>35,739,797</u>
	<u>(14,371,329)</u>	<u>(14,371,329)</u>	<u>(14,371,329)</u>	<u>(14,371,329)</u>	<u>(14,371,329)</u>	<u>(14,371,329)</u>
Analysis of outstanding claims at 31 March / 31 December						
- Claims incurred	26,283,733	(9,780,826)	16,502,907	17,004,173	10,660,691	28,462,212
- Incurred but not reported	7,665,771	(2,801,792)	4,863,979	8,043,835	4,666,766	7,277,585
	<u>33,949,504</u>	<u>(12,582,618)</u>	<u>21,366,886</u>	<u>25,048,008</u>	<u>15,327,457</u>	<u>35,739,797</u>
	<u>(14,371,329)</u>	<u>(14,371,329)</u>	<u>(14,371,329)</u>	<u>(14,371,329)</u>	<u>(14,371,329)</u>	<u>(14,371,329)</u>
	<u>21,368,468</u>	<u>(1,211,289)</u>	<u>17,018,316</u>	<u>10,673,679</u>	<u>9,358,023</u>	<u>21,368,468</u>

Substantially all of the claims are expected to be paid within twelve months of the reporting date. The amounts due from reinsurers are contractually due within three months from the date of submission of accounts to the reinsurer.

The Group estimates its insurance liabilities and reinsurance assets principally based on previous experience. Incurred but not reported (IBNR) estimates for the medical and life business are based on an independent actuary's report. Claims requiring Court or arbitration decisions are estimated individually.

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13 Gross actuarial / mathematical and unexpired risk reserve

	31 March 2019 RO (Unaudited)	31 December 2018 RO (Audited)	31 March 2018 RO (Unaudited)
Actuarial / mathematical and unexpired risk reserve - life assurance			
Gross	63,465,263	45,399,305	55,581,393
Reinsurers' share	<u>(17,989,899)</u>	<u>(17,892,867)</u>	<u>(21,226,214)</u>
	<u>45,475,364</u>	<u>27,506,438</u>	<u>34,355,179</u>
Unexpired risk reserve – general insurance			
Gross	7,552,042	7,563,309	6,678,598
Reinsurers' share	<u>(502,535)</u>	<u>(515,100)</u>	<u>(405,457)</u>
	<u>7,049,507</u>	<u>7,048,209</u>	<u>6,273,141</u>
Actuarial / mathematical and unexpired risk reserve – total			
Gross	71,017,305	52,962,614	62,259,991
Reinsurers' share	<u>(18,492,434)</u>	<u>(18,407,967)</u>	<u>(21,631,671)</u>
	<u>52,524,871</u>	<u>34,554,647</u>	<u>40,628,320</u>
<i>Movement during the period / year:</i>			
	31 March 2019 RO (Unaudited)	31 December 2018 RO (Audited)	31 March 2018 RO (Unaudited)
Actuarial / mathematical and unexpired risk reserve – life assurance			
At 1 January	27,506,438	24,852,702	24,852,702
Net movement in the statement of comprehensive income	17,968,926	2,653,736	9,502,477
At 31 March / 31 December	<u>45,475,364</u>	<u>27,506,438</u>	<u>34,355,179</u>
Unexpired risk reserve – general insurance			
At 1 January	7,048,209	5,963,211	5,963,211
Net movement in the statement of comprehensive income	1,298	1,084,998	309,930
At 31 March / 31 December	<u>7,049,507</u>	<u>7,048,209</u>	<u>6,273,141</u>
14 Due to reinsurers			
	31 March 2019 RO (Unaudited)	31 December 2018 RO (Audited)	31 March 2018 RO (Unaudited)
Reinsurance balances payable – life insurance	8,511,820	1,988,268	4,812,591
Reinsurance balances payable – general insurance	<u>637,812</u>	<u>566,036</u>	<u>557,525</u>
	<u>9,149,632</u>	<u>2,554,304</u>	<u>5,370,116</u>
15 Other liabilities			
	31 March 2019 RO (Unaudited)	31 December 2018 RO (Audited)	31 March 2018 RO (Unaudited)
Accounts payable	9,378,817	16,951,097	1,955,775
Accrued expenses	3,638,507	3,524,821	2,691,466
Other payables	10,532,496	4,360,733	9,005,473
End of service benefits	<u>693,515</u>	<u>640,446</u>	<u>591,545</u>
	<u>24,243,335</u>	<u>25,477,097</u>	<u>14,244,259</u>

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16 Contingent liabilities
(a) Contingencies

At 31 March 2018, there were contingent liabilities in respect of guarantees issued by commercial banks on behalf of the Group amounting to RO 452,813 (31 December 2018 - RO 444,143 and 31 March 2018 – RO 401,457) given in the normal course of business from which it is anticipated that no material liabilities will arise.

(b) 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 income or financial position.

17 Net assets per share

Net assets per share is calculated by dividing the net assets attributable to equity holders of the Parent Company at the reporting date by the number of shares outstanding at the reporting date as follows:

	31 March 2019 RO (Unaudited)	31 December 2018 RO (Audited)	31 March 2018 RO (Unaudited)
Net assets (RO)	<u>50,968,761</u>	<u>53,658,472</u>	<u>47,860,470</u>
Number of shares outstanding at 31 March / 31 December	<u>265,000,000</u>	<u>265,000,000</u>	<u>265,000,000</u>
Net assets per share (RO)	<u>0.192</u>	<u>0.202</u>	<u>0.181</u>

18 Investment income – net

	31 March 2019 RO (Unaudited)	31 March 2018 RO (Unaudited)
Interest income on bank deposits and other investments	346,196	473,100
Interest income on bonds, net of amortisation charge	102,880	10,337
Interest income on loans to policy holders	4,619	9,710
Dividend income	317,257	374,157
Expense from investment property	-	(3,251)
Net unrealised (loss) / gain on investments carried at fair value through profit or loss	(160,760)	(75,631)
Net realised gain on investment carried at fair value through profit or loss and investment carried at amortised cost	<u>22,051</u>	<u>40,638</u>
	632,243	829,060
Investment acquisition cost and portfolio management fees	(6,303)	(8)
	<u>625,940</u>	<u>829,052</u>

NATIONAL LIFE AND GENERAL INSURANCE COMPANY SAOG AND ITS SUBSIDIARIES

**NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended 31 March 2019**

19 Income tax

	31 March 2019	31 March 2018
	RO	RO
	(Unaudited)	(Unaudited)
Statement of comprehensive income:		
Current tax		
- For the year	470,440	509,831
- For prior years	(85,151)	-
Deferred tax	<u>(21,022)</u>	<u>(4,762)</u>
	<u>364,267</u>	<u>505,069</u>
	31 March 2019	31 December 2018
	RO	RO
	(Unaudited)	(Audited)
Current liability		31 March 2018
Income tax payable	<u>481,872</u>	<u>RO</u>
		(Unaudited)
		1,613,057
		505,709
Non-current asset		
Deferred tax asset	<u>309,304</u>	<u>290,128</u>
		204,308

The tax rate applicable to the Parent Company is 15% (31 March 2018 – 15%).

20 Earnings per share – basic and diluted

Earnings per share is calculated by dividing the profit for the period attributable to equity holders of the Parent Company by the weighted average number of shares outstanding during the three months ended as follows:

	31 March 2019	31 March 2018
	(Unaudited)	(Unaudited)
Profit for the three months ended (RO)	<u>2,703,741</u>	<u>3,005,623</u>
Weighted average number of shares outstanding @ RO 0.100 per share	<u>265,000,000</u>	<u>265,000,000</u>
Basic and diluted earnings per share (RO)	<u>0.010</u>	<u>0.011</u>

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.

NATIONAL LIFE AND GENERAL INSURANCE COMPANY SAOG AND ITS SUBSIDIARIES
**NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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21 Related party transactions

(a) 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 statements of comprehensive income and statement of financial position are as follows:

	Total	Major	Directors	Subsidiaries	Top Senior	Key	Other
	shareholders	shareholders		& associates	Executives	management	related
				of major		personnel of	parties
				shareholder		major	
						shareholder	
31 March 2019	RO	RO	RO	RO	RO	RO	RO
(Unaudited)							
Statement of comprehensive income							
Gross premium income	988,326	71,679	-	887,922	-	-	28,725
Claims expense	472,496	13,591	-	319,418	-	-	139,487
Interest income on deposits	257,449	-	-	257,449	-	-	-
Commission expense	132,716	-	-	40,098	-	-	92,618
Other expenses	25,799	-	-	25,799	-	-	-
Director sitting fees	4,600	-	4,600	-	-	-	-
Directors' remuneration	45,400	-	45,400	-	-	-	-
Other Transactions							
Short Term Loan	4,000,000	-	-	4,000,000	-	-	-
Placement of Deposit	500,000	-	-	500,000	-	-	-
Movement in bank balances	684,960	-	-	684,960	-	-	-
Statement of financial position							
Directors' remuneration & sitting fees	225,400	-	225,400	-	-	-	-
Claims payable to related parties	423,288	11,780	-	279,605	-	-	131,903
Commission payable	383,328	-	-	13,925	-	-	369,403
Payable to related parties	4,004,911	-	-	4,000,000	-	-	4,911
Receivable from related parties	112,471	-	-	83,245	29,226	-	-
Bank balances	3,929,565	-	-	3,929,565	-	-	-
Fixed deposits/Bonds balances	10,675,000	-	-	10,675,000	-	-	-
Premium receivable from related parties	882,416	77,082	613	648,475	-	-	156,245
Investment in Bonds	3,550,000	2,300,000	-	1,250,000	-	-	-
Accrued interest receivable	332,641	-	-	332,641	-	-	-

During January to Mar 2019, subsidiary in India (NSSPL) has charged the parent company service fees of RO 105,825. The Parent Company has accounted NSSPL Share of Profit from subsidiary of RO 15,927. Carrying value of investment as on 31.03.2019 is RO 209,272 and due to NSSPL as at 31.03.2019 is RO 46,091.

During January to Mar 2019, subsidiary - Inayah TPA LLC in UAE has charged the parent company service fees of RO 57,462. The Parent Company has accounted Inayah Share of Profit from subsidiary of RO 21,092. Carrying value of investment as on 31.03.2019 is RO 891,690 and due to Inayah TPA LLC as at 31.03.2019 is RO 251,999.

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21 Related party transactions (continued)

	Total	Major shareholders	Directors	Subsidiaries & associates of major shareholder	Top Senior Executives	Key managemen t personnel of major shareholder	Other related parties
31 March 2018 (Unaudited)	RO	RO	RO	RO	RO	RO	RO
Statement of comprehensive income							
Gross premium income	1,227,971	94,078	10,435	1,086,393	100	375	36,590
Claims expense	262,437	13,146	-	163,239	-	-	86,052
Reinsurers' share of claims paid	1,016	-	-	1,016	-	-	-
Interest income on deposits	90,101	-	-	90,101	-	-	-
Rent expenses	40,058	-	-	40,058	-	-	-
Commission expense	136,971	-	-	40,958	-	-	96,013
Other expenses	92,575	-	-	13,711	400	200	78,263
Director sitting fees	6,700	-	6,700	-	-	-	-
Directors' remuneration	43,300	-	43,300	-	-	-	-
Statement of financial position							
Directors' remuneration & sitting fees	45,100	-	45,100	-	-	-	-
Claims payable to related parties	277,199	17,955	-	197,476	-	-	61,769
Commission payable	430,468	-	-	15,022	-	-	415,445
Payable to related parties	48,748	(814)	-	11,004	-	-	38,558
Receivable from related parties	510,621	-	-	499,951	10,670	-	-
Bank balances	250,855	-	-	250,855	-	-	-
Fixed deposits balances	5,250,000	-	-	5,250,000	-	-	-
Premium receivable from related parties	1,136,620	94,078	-	908,850	-	-	133,692
Reinsurance balance receivable	65,530	-	-	65,530	-	-	-
Accrued interest receivable	41,839	-	-	41,839	-	-	-

No major provision has been required during three months ended 31 March 2019 (31 March 2018 – nil) in respect of amounts due from related parties.

(b) Compensation of key management personnel

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

	31 March 2019	31 March 2018
	RO	RO
	(Unaudited)	(Unaudited)
Short-term benefits	151,451	141,654
Employees' end of service benefits & leave salary accrual	36,812	25,998
	188,263	167,652
Number of key management personnel	9	8

NATIONAL LIFE AND GENERAL INSURANCE COMPANY SAOG AND ITS SUBSIDIARIES
**NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
for the three months ended 31 March 2019**
22 Segmental information
22.1 Primary reporting format - business segments

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 premium and profit information and asset and liability information regarding business segments for the three months ended 31 March 2019 and 31 March 2018.

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

31 March 2019 (Unaudited)	Life and Medical RO	General RO	Adjustments and eliminations RO	Total RO
Gross premium written	50,489,965	4,303,834	-	54,793,799
Movement in unearned premiums	(18,065,958)	11,267	-	(18,054,691)
Gross premiums earned	32,424,007	4,315,101	-	36,739,108
Insurance premium ceded to reinsurers	(11,172,673)	(318,471)	-	(11,491,144)
Movement in unearned premiums	97,032	(12,565)	-	84,467
Premium ceded to reinsurers, earned	(11,075,641)	(331,036)	-	(11,406,677)
Net premiums	21,348,366	3,984,065	-	25,332,431
Claims	(25,328,726)	(2,432,386)	-	(27,761,112)
Reinsurers' share of claims	9,576,952	210,204	-	9,787,156
Net claims	(15,751,774)	(2,222,182)	-	(17,973,956)
Income from policy fees	306,616	153,466	-	460,082
Commission income on premium ceded to reinsurers	1,628,012	55,352	-	1,683,364
Commission expense	(3,271,187)	(516,446)	-	(3,787,633)
Net underwriting results	4,260,033	1,454,255	-	5,714,288
Investment income – net	430,079	190,696	5,165	625,940
ECL on financial assets	(12,070)	11,749	-	(321)
Other operating income / (expense)	3,439	50	-	3,489
Third party administration fees	(549,786)	-	-	(549,786)
General and administrative expenses	(2,045,910)	(673,266)	-	(2,719,176)
Finance cost	(527)	-	-	(527)
Amortisation of intangible assets	(5,899)	-	-	(5,899)
Income tax	(247,428)	(116,839)	-	(364,267)
Profit for the period	1,831,931	866,645	5,165	2,703,741

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22 Segmental information (continued)
22.1 Primary reporting format - business segments (continued)

31 March 2018 (Unaudited)	Life and medical RO	General RO	Adjustments and eliminations RO	Total RO
Gross premium written	44,801,356	3,971,815	-	48,773,171
Movement in unearned premiums	(16,188,914)	(314,286)	-	(16,503,200)
Gross premiums earned	<u>28,612,442</u>	<u>3,657,529</u>	<u>-</u>	<u>32,269,971</u>
Insurance premium ceded to reinsurers	(19,001,167)	(277,623)	-	(19,278,790)
Movement in unearned premiums	6,686,437	4,356	-	6,690,793
Premium ceded to reinsurers, earned	<u>(12,314,730)</u>	<u>(273,267)</u>	<u>-</u>	<u>(12,587,997)</u>
Net premiums	<u>16,297,712</u>	<u>3,384,262</u>	<u>-</u>	<u>19,681,974</u>
Claims	(21,209,819)	(1,935,589)	-	(23,145,408)
Reinsurers' share of claims	9,123,476	(67,391)	-	9,056,085
Net claims	<u>(12,086,343)</u>	<u>(2,002,980)</u>	<u>-</u>	<u>(14,089,323)</u>
Income from policy fees	590,124	62,709	-	652,833
Commission income on premium ceded to reinsurers	3,290,888	51,474	-	3,342,362
Commission expense	<u>(3,478,055)</u>	<u>(421,496)</u>	<u>-</u>	<u>(3,899,551)</u>
Net underwriting results	4,614,326	1,073,969	-	5,688,295
Investment income – net	687,493	150,865	(9,306)	829,052
ECL on financial assets	6,152	(12,693)	-	(6,541)
Other operating (loss) / income	(653)	(1,528)	-	(2,181)
Third party administration fees	(673,889)	-	-	(673,889)
General and administrative expenses	(1,696,114)	(626,022)	-	(2,322,136)
Finance cost	(1,908)	-	-	(1,908)
Income tax	<u>(421,704)</u>	<u>(83,365)</u>	<u>-</u>	<u>(505,069)</u>
Profit for the period	<u>2,513,703</u>	<u>501,226</u>	<u>(9,306)</u>	<u>3,005,623</u>

31 March 2019 (Unaudited)	Life and Medical RO	General RO	Adjustments and eliminations	Total RO
Segment assets	<u>167,813,500</u>	<u>27,528,510</u>	<u>(1,031,601)</u>	<u>194,310,409</u>
Segment liabilities	<u>119,458,303</u>	<u>24,181,435</u>	<u>(298,090)</u>	<u>143,341,648</u>
31 December 2018 (Audited)				
Segment assets	<u>132,509,581</u>	<u>29,829,631</u>	<u>(1,025,660)</u>	<u>161,313,552</u>
Segment liabilities	<u>80,591,696</u>	<u>27,349,022</u>	<u>(285,638)</u>	<u>107,655,080</u>
31 March 2018 (Unaudited)				
Segment assets	<u>143,796,202</u>	<u>23,636,639</u>	<u>(602,499)</u>	<u>166,830,342</u>
Segment liabilities	<u>95,738,334</u>	<u>23,240,594</u>	<u>(9,056)</u>	<u>118,969,872</u>

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for the three months ended 31 March 2019**
22 Segmental information (continued)
22.2 Primary reporting format - geographic segments
Geographic Information

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

The following table presents premium and profit information and asset and liability information regarding business segments for the three months ended 31 March 2019 and 31 March 2018.

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

	Oman RO	UAE RO	Kuwait RO	Subsidiaries RO	Adjustments and eliminations RO	Total RO
31 March 2019 (Unaudited)						
Gross premium written	24,811,539	29,239,732	742,528	-	-	54,793,799
Movement in unearned premiums	(9,228,947)	(8,628,664)	(197,080)	-	-	(18,054,691)
Gross premiums earned	15,582,592	20,611,068	545,448	-	-	36,739,108
Insurance premium ceded to reinsurers	(1,587,138)	(9,623,234)	(280,772)	-	-	(11,491,144)
Movement in unearned premiums	(1,749,690)	1,804,294	29,863	-	-	84,467
Premium ceded to reinsurers, earned	(3,336,828)	(7,818,940)	(250,909)	-	-	(11,406,677)
Net premiums	12,245,764	12,792,128	294,539	-	-	25,332,431
Claims	(10,525,646)	(16,727,638)	(507,828)	-	-	(27,761,112)
Reinsurers' share of claims	2,934,079	6,597,200	255,877	-	-	9,787,156
Net claims	(7,591,567)	(10,130,438)	(251,951)	-	-	(17,973,956)
Income from policy fees	238,185	220,122	1,775	-	-	460,082
Commission income on premium ceded to reinsurers	190,766	1,433,556	59,042	-	-	1,683,364
Commission expense	(1,152,340)	(2,520,271)	(115,022)	-	-	(3,787,633)
Net underwriting results	3,930,808	1,795,097	(11,617)	-	-	5,714,288
Investment income – net	416,701	193,668	10,406	-	5,165	625,940
ECL on financial assets	1,836	(2,162)	5	-	-	(321)
Other operating (loss) / income	5,220	(1,839)	108	-	-	3,489
Third party administration fees	(52,724)	(629,406)	(30,943)	163,287	-	(549,786)
General and administrative expenses	(1,624,247)	(817,578)	(108,655)	(168,696)	-	(2,719,176)
Finance cost	(527)	-	-	-	-	(527)
Amortisation of intangible assets	(5,899)	-	-	-	-	(5,899)
Income tax	(364,511)	-	-	244	-	(364,267)
Profit for the period	2,306,657	537,780	(140,696)	(5,165)	5,165	2,703,741

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**NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
for the three months ended 31 March 2019**
22 Segmental information (continued)
22.2 Primary reporting format - geographic segments (continued)
Geographic Information (continued)

	Oman RO	UAE RO	Kuwait RO	Subsidiaries RO	Adjustments and eliminations RO	Total RO
31 March 2018 (Unaudited)						
Gross premium written	17,765,186	30,859,784	148,201	-	-	48,773,171
Movement in unearned premiums	(4,973,604)	(11,420,314)	(109,282)	-	-	(16,503,200)
Gross premiums earned	12,791,582	19,439,470	38,919	-	-	32,269,971
Insurance premium ceded to reinsurers	(6,599,575)	(12,632,150)	(47,065)	-	-	(19,278,790)
Movement in unearned premiums	2,164,766	4,495,387	30,640	-	-	6,690,793
Premium ceded to reinsurers, earned	(4,434,809)	(8,136,763)	(16,425)	-	-	(12,587,997)
Net premiums	8,356,773	11,302,707	22,494	-	-	19,681,974
Claims	(8,044,893)	(15,084,067)	(16,448)	-	-	(23,145,408)
Reinsurers' share of claims	2,941,985	6,108,098	6,002	-	-	9,056,085
Net claims	(5,102,908)	(8,975,969)	(10,446)	-	-	(14,089,323)
Income from policy fees	229,340	416,505	6,988	-	-	652,833
Commission income on premium ceded to reinsurers	867,377	2,474,479	506	-	-	3,342,362
Commission expense	(1,075,842)	(2,808,473)	(15,236)	-	-	(3,899,551)
Net underwriting results	3,274,740	2,409,249	4,306	-	-	5,688,295
Investment income - net	547,230	280,722	10,406	-	(9,306)	829,052
ECL on financial assets	(12,928)	5,113	1,274	-	-	(6,541)
Other operating (loss) / income	(609)	(329)	(1,243)	-	-	(2,181)
Third party administration fees	(71,234)	(753,466)	(3,106)	153,917	-	(673,889)
General and administrative expenses	(1,382,290)	(705,916)	(94,485)	(139,445)	-	(2,322,136)
Finance cost	(1,908)	-	-	-	-	(1,908)
Income tax	(499,903)	-	-	(5,166)	-	(505,069)
Profit / (loss) for the period	1,853,098	1,235,373	(82,848)	9,306	(9,306)	3,005,623

	Oman RO	UAE RO	Kuwait RO	Subsidiaries RO	Adjustments and eliminations RO	Total RO
31 March 2019 (Unaudited)						
Segment assets	104,382,658	85,617,915	3,802,730	1,538,707	(1,031,601)	194,310,409
Segment liabilities	71,136,278	68,823,995	2,874,269	805,196	(298,090)	143,341,648
31 December 2018(Audited)						
Segment assets	88,450,483	69,612,661	3,167,382	1,108,686	(1,025,660)	161,313,552
Segment liabilities	52,428,561	53,125,028	2,018,465	368,664	(285,638)	107,655,080
31 March 2018 (Unaudited)						
Segment assets	85,779,990	79,268,812	1,655,500	728,538	(602,499)	166,830,342
Segment liabilities	58,474,788	60,183,795	185,249	135,096	(9,056)	118,969,872

NATIONAL LIFE AND GENERAL INSURANCE COMPANY SAOG AND ITS SUBSIDIARIES

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23 Risk management

The Group's activities expose it to a variety of risks: capital management risk, credit risk, reinsurance risk, liquidity risk, financial risks, market risk (includes currency risk interest rate risk and equity price risk), and insurance risks (includes frequency and severity of claims, sources of uncertainty in the estimation of future benefit payments and premium receipts, process used to decide on assumptions and change in assumptions). The interim condensed financial statements do not include all information and disclosures required relating to risk management and should be read in conjunction with the annual financial statements as at 31 December 2018. There have been no material changes in the risk management policies since year ended 31 December 2018.

24 Fair values

The fair values of the Group's financial assets and liabilities are not materially different from their carrying values as of the reporting date.

There were no level 3 financial instruments measured at fair value.

31 March 2019 (Unaudited)	Level 1	Level 2	Total
Investments	<u>23,951,670</u>	<u>119,579</u>	<u>24,071,249</u>
31 December 2018 (Audited)	Level 1	Level 2	Total
Investments	<u>22,325,925</u>	<u>119,579</u>	<u>22,445,504</u>
31 March 2018 (Unaudited)	Level 1	Level 2	Total
Investments	<u>14,654,517</u>	<u>138,260</u>	<u>14,792,778</u>

There were no transfers between any levels mentioned above.

25 Prior period adjustments

Certain corresponding information have been reclassified to conform to the presentation adopted in these financial statements. Such reclassifications have not resulted in change in previous period's reported profit and equity.