

Dear Shareholders,

**Assalamu alaikum wa rahamatullahi wa Barakatuh!**  
 (May the Peace, Mercy and Blessing of Allah be with you)

It gives me great pleasure to report on the performance of your company for the three months period ending Mar 2016.

The highlights of the performance are given in AAOIFI (Accounting and Auditing Organization for Islamic Financial Institutions) format.

**Interim Condensed Statement of participants' revenue and expenses for the Three months period ended 31<sup>st</sup> March 2016 (unaudited)**

Item	General Takaful		% Change	Family Takaful		% Change	Total		% Change
	31-Mar-2016	31-Mar-2015		31-Mar-2016	31-Mar-2015		31-Mar-2016	31-Mar-2015	
Gross Contributions	5,590,996	5,878,902	-4.90%	835,421	678,507	23.13%	6,426,417	6,557,409	-2.00%
Net Retained Contributions	3,327,153	3,713,293	-10.40%	105,236	174,601	-39.73%	3,432,389	3,887,894	-11.72%
Net Earned Contributions	3,500,917	3,186,210	9.88%	109,045	170,602	-36.08%	3,609,962	3,356,812	7.54%
Net Claims Incurred	(2,605,850)	(2,263,259)	15.14%	(66,539)	61,379	-208.41%	(2,672,389)	(2,201,880)	21.37%
Surplus from Takaful Operations before Wakala Fees	913,159	807,021	13.15%	113,497	200,881	-43.50%	1,026,656	1,007,902	1.86%
Investment Income	24,361	24,094	1.11%	246	243	1.23%	24,607	24,337	1.11%
Wakala Fees	(1,118,199)	(1,175,780)	-4.90%	(167,084)	(135,701)	23.13%	(1,285,283)	(1,311,481)	-2.00%
Mudharib Fee	(14,617)	(16,866)	13.33%	(148)	(170)	-12.94%	(14,765)	(17,036)	-13.33%
Surplus / (Deficit) from Takaful Operations	(195,295)	(361,531)	45.98%	(53,489)	65,253	-181.97%	(248,784)	(296,278)	16.03%

**Interim Condensed Statement of Profit or Loss and Other Comprehensive income for the three month period ended 31<sup>st</sup> March 2016 (unaudited)**

Item	Shareholders		% Change
	31-Mar-16	31-Mar-15	
Investment Income	238,870	396,754	-39.8%
Wakala Fees	1,285,283	1,311,481	-2.0%
Mudharib Fee	14,764	17,036	-13.3%
Net Profit before tax	523,117	723,919	-27.7%
Provision for tax	(60,000)	(68,750)	-12.7%
<b>Net Profit and Surplus for the year ( after Tax)</b>	<b>463,117</b>	<b>655,169</b>	<b>-29.3%</b>

- a) Company's Gross Written contribution declined 2.0% to RO 6.4mn.
  - b) Incurred claims ratio of the Company increased from 65.6% in Q1FY15 to 74.1% in Q1FY16.
  - c) Surplus from Takaful Operations (Underwriting profit) increased 1.9% to RO 1.0mn.
  - d) Consolidated Investment Income decreased by 37.4% primarily due to change in stock market conditions.
  - e) Consolidated total of net profit of the company (Shareholders' profit and Policyholders' (Surplus / (Deficit)) dropped by 40.3% to RO 214,333 in Q1FY16.
1. The Company is closely monitoring the Legal Awards which impacted the Incurred Claims in the first Quarter of 2016.
  2. Al Madina continues to expand its network of Policy dispensing Outlets to enhance Customer Service.
  3. Many new initiatives are in the process of implementation which will provide a variety of Insurance products and services to retail and personal line customers in the Sultanate

We extend our gratitude and appreciation to His Majesty Sultan Qaboos Bin Said for his vision and leadership. We also extend our thanks to Capital Market Authorities, our shareholders, business partners, valuable customers and staff members for their support.

May God Bless you all.

**Dr. Mohammed Ali Al Barwani**  
Chairman of the Board.



## AL MADINA INSURANCE COMPANY SAOG

UNAUDITED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2016

	Note	Shareholders		General takaful		Family takaful		Total	
		Unaudited 31 March 2016 RO	Audited 31 December 2015 RO	Unaudited 31 March 2016 RO	Audited 31 December 2015 RO	Unaudited 31 March 2016 RO	Audited 31 December 2015 RO	Unaudited 31 March 2016 RO	Audited 31 December 2015 RO
<b>ASSETS</b>									
Cash and bank balances	5	<b>1,916,165</b>	2,438,183	<b>856,768</b>	1,390,669	<b>200,675</b>	460,910	<b>2,973,608</b>	4,289,762
Bank deposits	5	<b>2,911,308</b>	2,168,098	<b>4,262,016</b>	4,176,416	<b>22,084</b>	97,084	<b>7,195,408</b>	6,441,598
Investment carried at fair value through profit or loss	6	<b>3,889,583</b>	4,379,752	-	-	-	-	<b>3,889,583</b>	4,379,752
Takaful and retakaful/reinsurance balance receivable	7	-	-	<b>8,613,808</b>	6,910,562	<b>1,039,822</b>	1,009,018	<b>9,653,630</b>	7,919,580
Receivable from participants - family takaful	8	<b>1,163,139</b>	672,232	-	399,512	-	-	<b>1,163,139</b>	1,071,744
Due from retakaful / reinsurance companies in connection with outstanding claims and deferred retakaful / reinsurance contribution	9	-	-	<b>7,266,353</b>	7,326,666	<b>1,423,775</b>	1,253,579	<b>8,690,128</b>	8,580,245
Deferred policy acquisition cost		-	-	<b>688,263</b>	753,386	<b>56,521</b>	54,538	<b>744,784</b>	807,924
Other receivables and takaful assets		<b>1,232,445</b>	791,802	<b>554,719</b>	663,176	-	-	<b>1,787,164</b>	1,454,978
Investments at fair value through equity	10	<b>2,385,808</b>	2,386,283	-	-	-	-	<b>2,385,808</b>	2,386,283
Investments carried at amortised cost	11	<b>2,753,367</b>	2,755,228	-	-	-	-	<b>2,753,367</b>	2,755,228
Deferred tax asset		<b>145,363</b>	205,363	-	-	-	-	<b>145,363</b>	205,363
Investment in real estate	12	<b>6,245,911</b>	6,245,911	-	-	-	-	<b>6,245,911</b>	6,245,911
Property and equipment	13	<b>1,170,105</b>	1,229,759	-	-	-	-	<b>1,170,105</b>	1,229,759
<b>Total assets</b>		<b>23,813,194</b>	23,272,611	<b>22,241,927</b>	21,620,387	<b>2,742,877</b>	2,875,129	<b>48,797,998</b>	47,768,127

The notes on pages 9 to 18 form an integral part of this unaudited condensed interim financial information.

## AL MADINA INSURANCE COMPANY SAOG

UNAUDITED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2016 (continued)

	Note	Shareholders		General Takaful		Family Takaful		Total	
		Unaudited 31 March 2016 RO	Audited 31 December 2015 RO	Unaudited 31 March 2016 RO	Audited 31 December 2015 RO	Unaudited 31 March 2016 RO	Audited 31 December 2015 RO	Unaudited 31 March 2016 RO	Audited 31 December 2015 RO
<b>EQUITY, PARTICIPANTS' FUND AND LIABILITIES</b>									
<b>Capital and reserves</b>									
Share capital		17,500,000	17,500,000	-	-	-	-	17,500,000	17,500,000
Share premium		1,380,151	1,380,151	-	-	-	-	1,380,151	1,380,151
Legal reserve		681,468	635,156	-	-	-	-	681,468	635,156
Contingency reserve	14	1,206,553	1,206,553	-	-	-	-	1,206,553	1,206,553
Investment fair value reserve		649,926	650,401	-	-	-	-	649,926	650,401
Retained earnings		1,661,125	1,244,320	-	-	-	-	1,661,125	1,244,320
<b>Total shareholders' equity</b>		<b>23,079,223</b>	<b>22,616,581</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,079,223</b>	<b>22,616,582</b>
<b>Participant's fund</b>									
Surplus / (deficit) in participant's fund		-	-	(2,589,904)	(1,988,354)	(488,429)	(426,586)	(3,078,333)	(2,414,939)
Contingency reserve		-	-	1,111,335	705,080	43,527	35,173	1,154,862	740,253
		-	-	(1,478,569)	(1,283,274)	(444,902)	(391,413)	(1,923,471)	(1,674,688)
<b>Liabilities</b>									
End of service benefits		294,029	268,215	-	-	-	-	294,029	268,215
Gross outstanding claims	9	-	-	6,903,968	7,118,026	1,055,181	996,465	7,959,149	8,114,491
Unearned contributions reserve	9	-	-	9,850,649	9,980,207	749,448	615,587	10,600,097	10,595,794
Unearned retakaful/reinsurance commission		-	-	433,056	413,259	6,565	4,027	439,621	417,287
Retakaful/reinsurance payables		-	-	4,339,310	4,000,287	940,817	482,569	5,280,127	4,482,856
Accounts and other payables		439,942	387,815	1,364,342	1,391,882	101,800	96,150	1,906,084	1,875,847
Payable to shareholders	8	-	-	829,171	-	333,968	672,232	1,163,139	672,232
Payable to participants - general takaful	8	-	-	-	-	-	399,512	-	399,512
<b>Total liabilities</b>		<b>733,971</b>	<b>656,030</b>	<b>23,720,496</b>	<b>22,903,661</b>	<b>3,187,779</b>	<b>3,266,542</b>	<b>27,642,246</b>	<b>26,826,234</b>
<b>Total shareholders' equity, participant's fund and liabilities</b>		<b>23,813,194</b>	<b>23,272,611</b>	<b>22,241,927</b>	<b>21,620,387</b>	<b>2,742,877</b>	<b>2,875,129</b>	<b>48,797,998</b>	<b>47,768,130</b>

Director

Director

The notes on pages 9 to 20 form an integral part of this unaudited condensed interim financial information.

## AL MADINA INSURANCE COMPANY SAOG

**UNAUDITED CONDENSED INTERIM STATEMENT OF PARTICIPANT'S REVENUE AND EXPENSES  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016**

	Note	General takaful		Family takaful		Total	
		Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended
		31 March 2016 RO	31 March 2015 RO	31 March 2016 RO	31 March 2015 RO	31 March 2016 RO	31 March 2015 RO
<b>Takaful revenues</b>							
Gross contributions	15	5,590,996	5,878,902	835,421	678,507	6,426,417	6,557,409
Retakaful/reinsurance share	15	(2,263,843)	(2,165,610)	(730,184)	(503,906)	(2,994,027)	(2,669,516)
Retained contributions		3,327,153	3,713,292	105,237	174,601	3,432,390	3,887,893
Movement in unearned contributions	15	173,764	(527,082)	3,808	(3,999)	177,572	(531,081)
Net earned contributions		3,500,917	3,186,210	109,045	170,602	3,609,962	3,356,812
Net commission and other takaful income / (expense)	15	18,091	(115,930)	70,992	(31,100)	89,083	(147,030)
<b>Total takaful revenue</b>		<b>3,519,008</b>	<b>3,070,280</b>	<b>180,037</b>	<b>139,502</b>	<b>3,699,045</b>	<b>3,209,782</b>
<b>Takaful expenses</b>							
Gross claims settled	16	(3,049,424)	(2,749,824)	(309,367)	(227,020)	(3,358,791)	(2,976,844)
Claims recovered from retakaful/reinsurance	16	334,036	1,219,912	269,018	194,895	603,054	1,414,807
Net movement in outstanding claims	16	109,540	(733,347)	(26,190)	93,504	83,350	(639,843)
<b>Total takaful expenses</b>		<b>(2,605,848)</b>	<b>(2,263,259)</b>	<b>(66,539)</b>	<b>61,379</b>	<b>(2,672,387)</b>	<b>(2,201,880)</b>
Surplus from takaful operations		913,160	807,021	113,498	200,881	1,026,658	1,007,902
Investment income		24,361	24,094	246	243	24,607	24,337
Mudarib share	17	(14,617)	(16,866)	(148)	(170)	(14,765)	(17,036)
Wakala fees	17	(1,118,199)	(1,175,780)	(167,084)	(135,701)	(1,285,283)	(1,311,481)
<b>Deficit from takaful operations</b>		<b>(195,295)</b>	<b>(361,531)</b>	<b>(53,488)</b>	<b>65,253</b>	<b>(248,783)</b>	<b>(296,278)</b>

The notes on pages 9 to 20 form an integral part of this unaudited condensed interim financial information.

## AL MADINA INSURANCE COMPANY SAOG

UNAUDITED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016

	Note	Shareholders' fund	
		Quarter ended 31 March 2016 RO	Quarter ended 31 March 2015 RO
Investment income (net)	18	238,870	396,754
Wakala fees	17	1,285,283	1,311,481
Mudarib share	17	14,765	17,036
		<b>1,538,918</b>	1,725,271
General and administrative expenses		(1,016,031)	(1,001,352)
Other income		230	-
		<b>(1,015,801)</b>	(1,001,352)
<b>Profit before tax</b>		<b>523,117</b>	723,919
Taxation		(60,000)	(68,750)
<b>Profit for the period</b>		<b>463,117</b>	655,169
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit or loss</i>			
Net change in fair value of investments at fair value through equity		(475)	(422,814)
<b>Total comprehensive income for the period</b>		<b>462,642</b>	232,355
<b>Earnings per share - basic and diluted</b>	21	<b>0.003</b>	0.004



## AL MADINA INSURANCE COMPANY SAOG

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016

	Note	Quarter ended 31 March 2016 RO	Quarter ended 31 March 2015 RO
<b>Operating activities</b>		<b>274,334</b>	427,641
Profit before tax for the period			
Adjustments for:			
Depreciation	13	64,974	49,884
Dividend income	18	(173,084)	(220,926)
Income from bank deposit	18	(11,886)	(10,674)
Amortisation of investments carried at amortised cost		1,861	1,759
End of service benefits charge for the period		25,814	30,132
Rental income on investment in real estate	18	(181,656)	(180,693)
Unrealised gains on investments at fair value through profit or loss	6	106,444	(27,253)
Realised gain on investments carried at fair value through profit or loss	6	(10,126)	9,313
Impairment loss on investments at fair value through equity		-	7,336
		<b>96,675</b>	86,519
<b>Working capital changes:</b>			
Takaful and retakaful/reinsurance balance receivables		(1,734,050)	(1,033,546)
Retakaful / reinsurance share of outstanding claims and unearned contribution reserve		(109,883)	1,009,993
Other receivables, prepayments and other assets		(332,187)	(801,675)
Deferred policy acquisition cost		63,140	(39,151)
Outstanding claims and unearned premium reserve		(151,039)	(286,494)
Accounts and other payables		30,237	374,562
Due to retakaful / reinsurance		797,271	500,075
Unearned retakaful/reinsurance commission		22,334	(10,240)
<b>Net cash used in operating activities</b>		<b>(1,317,502)</b>	(199,957)
<b>Investing activities</b>			
Purchase of property and equipment	13	(22,360)	(144,899)
Proceeds from disposal of property and equipment	13	17,040	-
Purchases of investments carried at fair value through profit or loss	6	(164,409)	(422,814)
Proceeds from disposal of investments at fair value through profit or loss	6	558,261	146,667
(Placement) / encashment of bank deposits - net		(750,000)	20,300
Rent on investment in real estate received		181,656	180,693
Profit on bank deposits received		11,886	10,674
Dividends received		173,084	220,926
<b>Net cash generated from investing activities</b>		<b>5,158</b>	11,547
Net change in cash and cash equivalents		(1,312,344)	(188,410)
Cash and cash equivalents at the beginning of the period	5	4,424,385	2,645,008
<b>Cash and cash equivalents at the end of period</b>	5	<b>3,112,041</b>	2,456,598

The notes on pages 9 to 20 form an integral part of this unaudited condensed interim financial information.

## AL MADINA INSURANCE COMPANY SAOG

UNAUDITED CONDENSED INTERIM STATEMENT OF CHANGES IN OWNERS' EQUITY  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016

	Share capital RO	Share premium RO	Legal reserve RO	Contingency reserve RO	Fair value reserve RO	Retained earnings RO	Total RO
<b>At 1 January 2016 (Audited)</b>	<b>17,500,000</b>	<b>1,380,151</b>	<b>635,156</b>	<b>1,206,553</b>	<b>650,401</b>	<b>1,244,320</b>	<b>22,616,581</b>
<b>Comprehensive income:</b>							
Profit for the period	-	-	-	-	-	463,117	463,117
Other comprehensive income	-	-	-	-	(475)	-	(475)
	-	-	-	-	(475)	463,117	462,642
<b>Transaction with owners:</b>							
Transfer to legal reserve	-	-	46,312	-	-	(46,312)	-
<b>At 31 March 2016</b>	<b>17,500,000</b>	<b>1,380,151</b>	<b>681,468</b>	<b>1,206,553</b>	<b>(649,926)</b>	<b>1,661,125</b>	<b>23,079,223</b>
	Share capital RO	Share premium RO	Legal reserve RO	Contingency reserve RO	Fair value reserve RO	Retained earnings RO	Total RO
At 1 January 2015 (audited)	17,500,000	1,380,151	552,373	1,206,553	(193,189)	499,269	20,945,157
<b>Comprehensive income:</b>							
Profit for the period	-	-	-	-	-	655,169	655,169
Other comprehensive income	-	-	-	-	(422,814)	-	(422,814)
	-	-	-	-	(422,814)	655,169	232,355
<b>Transaction with owners:</b>							
Transfer to legal reserve	-	-	65,517	-	-	(65,517)	-
<b>At 31 March 2015</b>	<b>17,500,000</b>	<b>2,213,484</b>	<b>617,890</b>	<b>1,206,553</b>	<b>(616,003)</b>	<b>1,088,921</b>	<b>21,177,512</b>

The notes on pages 9 to 20 form an integral part of this unaudited condensed interim financial information.



## AL MADINA INSURANCE COMPANY SAOG

UNAUDITED CONDENSED INTERIM STATEMENT OF CHANGES IN PARTICIPANT'S FUND  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016

	General takaful RO	Family takaful RO	Contingency reserve general takaful RO	Contingency reserve family takaful RO	Total RO
At 1 January 2016 (audited)	(1,988,354)	(426,587)	705,080	35,173	1,674,688
Surplus / (deficit) for the period	(195,295)	(53,488)	-	-	(248,783)
Contingency reserve	(406,255)	(8,354)	406,255	8,354	-
<b>At 31 March 2016 (unaudited)</b>	<b>(2,589,904)</b>	<b>(488,429)</b>	<b>1,111,335</b>	<b>43,527</b>	<b>(1,923,471)</b>
At 1 January 2015 (audited)	173,104	(167,150)	-	-	5,954
Surplus / (deficit) for the period	(361,531)	65,253	-	-	(296,278)
Contingency reserve	(287,871)	-	287,871	-	-
<b>At 31 March 2015 (unaudited)</b>	<b>(476,298)</b>	<b>(101,897)</b>	<b>287,871</b>	<b>-</b>	<b>(290,324)</b>

The notes on pages 9 to 20 form an integral part of this unaudited condensed interim financial information.

## AL MADINA INSURANCE COMPANY SAOG

### NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016

#### 1 Legal status and principal activities

**Al Madina Insurance Company SAOG** (formerly Al Madina Insurance Company SAOC) (the “Company”) was incorporated on 15 May 2006 as a closed joint stock company in the Sultanate of Oman. On 10 December 2013, the Company has become a public joint stock company. The Company operates in Oman and is engaged in the business of General and Family Takaful activities and investments by adopting wakala and mudarabha model respectively, on behalf of the participants in accordance with the Islamic Sharia’a principles. The retakaful/reinsurance activities organised on an underwriting period basis with the participants pooling their contributions to compensate for losses suffered in the pool on occurrence of a defined event.

The Company commenced commercial operations from 1 August 2006. The Company was granted license from Capital Market Authority (CMA) on 15 July 2006. The Company started Takaful operations on 1 January 2014 after being granted the Takaful license by the CMA.

#### 2 Summary of significant accounting policies

(a) This unaudited condensed interim financial information for the three months period ended 31 March 2016 has been prepared in accordance with Financial Accounting Standards (FAS) issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI). In line with the requirement of AAOIFI, for matters that are not covered by AAOIFI standards, the Company uses guidance from the relevant International Financial Reporting Standards (IFRS). Accordingly, the interim condensed financial statement has been presented in condensed form in accordance with the guidance provided by International Accounting Standard 34 – ‘Interim Financial Reporting’.

(b) This unaudited condensed interim financial information do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Company’s annual financial statements as at 31 December 2015.

(c) The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company’s annual financial statements for the year ended 31 December 2015. In addition, results for the three months period ended 31 March 2016 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2016.

(d) The interim condensed financial statements are prepared in Rial Omani which is the Company’s functional and presentation currency.

(e) The condensed interim financial information has been prepared using historical cost convention except for investments at fair value through profit or loss and through equity which are measured at fair value. The accounting policies adopted are consistent with those of the previous financial year. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

#### 3 Critical estimates and judgements

The preparation of unaudited condensed interim financial information 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 this unaudited condensed interim financial information, the significant judgements made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2015.

#### 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 condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in

**AL MADINA INSURANCE COMPANY SAOG****NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016**

conjunction with the annual financial statements as at and for the year ended 31 December 2015. There have been no changes in the risk management policies since year end.

## AL MADINA INSURANCE COMPANY SAOG

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016 (continued)

## 5 Cash and cash equivalents

	31 March 2016 Unaudited RO	31 December 2015 Audited RO
<b>Cash and bank balances</b>		
Cash in hand and at bank	2,034,709	3,785,602
Cash balances with investment managers	938,899	504,160
	<b>2,973,608</b>	<b>4,289,762</b>
<b>Bank deposits</b>		
Bank deposits with maturity of less than three months	138,433	134,623
Bank deposits with maturity of more than three months	7,056,975	6,306,975
	<b>7,195,408</b>	<b>6,441,598</b>
Less: Bank deposits with maturity of more than three months	<b>(7,056,975)</b>	<b>(6,306,975)</b>
	<b>3,112,041</b>	<b>4,424,385</b>

5.1 Bank deposits amounting to RO 51,975 (31 December 2015 - RO 51,975) are denominated in foreign currencies. Bank deposits carry profit rates in range of 1.20% to 3.50% per annum (2015 – 1.20% to 2.50% per annum). Bank deposit amounting to RO 269,787 (31 December 2015 – RO 269,787) is allocated for payment to be made to retakaful/reinsurance reserve.

## 5.2 Restrictions on transfer of assets

In accordance with the law governing the operation of insurance companies within the Sultanate of Oman, the Company identified certain specific bank deposits with carrying value of RO 6,255,000 (31 December 2015 - RO 6,255,000) to the CMA. The Company can only transfer these assets with the prior approval of the Capital Market Authority.

## 6 Investments carried at fair value through profit or loss

	Fair value 31 March 2016 Unaudited RO	Cost 31 March 2016 Unaudited RO	Fair value 31 December 2015 Audited RO	Cost 31 December 2015 Audited RO
<i>Local and foreign quoted:</i>				
Service sector	2,143,253	2,204,084	2,402,730	2,602,546
Industrial sector	1,710,432	1,756,144	1,934,035	2,109,132
Financial sector	35,898	35,798	42,987	52,185
	<b>3,889,583</b>	<b>3,996,026</b>	<b>4,379,752</b>	<b>4,763,863</b>

6.1 The cost and fair value of the foreign investments at the period-end as follows:

	Fair value 31 March 2016 Unaudited RO	Cost 31 March 2016 Unaudited RO	Fair value 31 December 2015 Audited RO	Cost 31 December 2015 Audited RO
Foreign investments	<b>625,194</b>	<b>664,501</b>	1,047,580	1,217,883

## AL MADINA INSURANCE COMPANY SAOG

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016 (continued)

## 6 Investments carried at fair value through profit or loss (continued)

## 6.2 Movement in investments at fair value through profit or loss

	<b>31 March 2016 Unaudited RO</b>	31 December 2015 Audited RO
At the beginning of the period	4,379,752	5,437,139
Purchases during the period	164,409	127,036
Disposals during the period	(558,260)	(875,328)
Realised gain on disposal	10,126	75,016
Net change in fair value	(106,444)	(384,111)
At the end of the period	<b>3,889,583</b>	4,379,752

## 6.3 Restrictions on transfer of assets

In accordance with the law governing the operation of insurance companies within the Sultanate of Oman, the Company identified certain specific investments with the carrying value of RO 2,452,218 (31 December 2015 - RO 2,453,878) to the Capital Market Authority. The Company can only transfer these assets with the prior approval of the Capital Market Authority.

## 7 Takaful and retakaful/reinsurance contract receivables

	<b>31 March 2016 Unaudited RO</b>	31 December 2015 Audited RO
Takaful receivable	8,977,141	6,794,989
Retakaful / reinsurance balances receivable	1,187,172	1,635,274
	<b>10,164,313</b>	8,430,263
Less: provision for impairment of receivables	(510,683)	(510,683)
	<b>9,653,629</b>	7,919,580
Age analysis of the receivables balances is as under:		
Neither past due nor impaired	6,011,379	4,452,220
Past due but not impaired	3,642,251	3,467,360
Past due and impaired	510,683	510,683
	<b>10,164,313</b>	8,430,263

Normal credit period allowed to takaful debtors and retakaful / reinsurance companies is 120 days after which amounts are considered as past due. As at 31 March 2016, amounts past due are not considered impaired as these are due from government, quasi-government entities, brokers and corporate clients with which the Company deals in the normal course of business and with which there is no recent history of default.

## 7.1 Movement in the provision for impairment of receivables during the period is as follows:

	<b>31 March 2016 Unaudited RO</b>	31 December 2015 Audited RO
At the beginning of the period	510,683	351,381
Charge for the year	-	159,302
At the end of the period	<b>510,683</b>	510,683

## AL MADINA INSURANCE COMPANY SAOG

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016 (continued)**8 Receivable from shareholders and payable to shareholders**

Receivable from participants includes due from General takaful and Family takaful policyholders' on account of wakala fees, mudarib share and inter-entity balances.

**9 Outstanding claims and unearned contributions reserve**

	Unaudited 31 March 2016			Audited 31 December 2015		
	Gross RO	Retakaful / reinsurance RO	Net RO	Gross RO	Retakaful / reinsurance RO	Net RO
<b>General Takaful</b>						
Claims incurred but not settled	5,923,269	(2,617,283)	3,305,986	6,734,664	(2,799,225)	3,935,439
Claims incurred but not reported	980,699	(224,140)	756,559	383,362	(146,717)	236,645
	<b>6,903,968</b>	<b>(2,841,423)</b>	<b>4,062,545</b>	7,118,026	(2,945,942)	4,172,084
Unearned contributions reserve	9,850,649	(4,424,930)	5,425,719	9,980,207	(4,380,724)	5,599,483
	<b>16,754,617</b>	<b>(7,266,353)</b>	<b>9,488,264</b>	17,098,233	(7,326,666)	9,771,567
<b>Family Takaful</b>						
Claims incurred but not settled	563,990	(470,340)	93,650	528,592	(452,690)	75,902
Claims incurred but not reported	491,191	(360,954)	130,237	467,873	(346,078)	121,795
	<b>1,055,181</b>	<b>(831,294)</b>	<b>223,887</b>	996,465	(798,768)	197,697
Unearned contributions reserve	749,448	(592,481)	156,967	615,587	(454,811)	160,776
	<b>1,804,629</b>	<b>(1,423,775)</b>	<b>380,854</b>	1,612,052	(1,253,579)	358,473
	<b>18,559,246</b>	<b>(8,690,128)</b>	<b>9,869,118</b>	18,710,285	(8,580,245)	10,130,040

Substantially all of the claims are expected to be paid within twelve months of the statement of financial position date. The amounts due from takaful/reinsurance are contractually due within a maximum of three months from the date of payment of the claims.

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016 (continued)**

**10 Investments at fair value through equity**

Un-audited 31 March 2016	% of overall portfolio	Basis of valuation RO	Number of securities RO	Fair Value RO
<b>Investment from shareholders' fund</b>				
<u>Investment in equity</u>				
Omani Unified Bureau Orange Card SAOC	9	Fair value	71,428	224,784
National Mass Housing Company SAOC	7	Fair value	150,000	172,200
Dubai Islamic bank	6	Fair value	212,000	133,333
Emirates REIT	2	Fair value	75,000	34,939
Al Rajhi	4	Fair value	18,850	101,983
Shaza Oman Company SAOC	5	Fair value	100,000	108,900
National Takaful Company (Watania)	67	Fair value	14,303,596	1,609,669
	<u>100</u>			<u>2,385,808</u>
Audited 31 December 2015				
Investment from shareholders' fund				
<u>Investment in equity</u>				
Omani Unified Bureau Orange Card SAOC	9	Fair value	71,428	224,784
National Mass Housing Company SAOC	7	Fair value	150,000	172,200
Dubai Islamic bank	6	Fair value	212,000	134,530
Emirates REIT	2	Fair value	75,000	36,373
Al Rajhi	4	Fair value	18,850	99,827
Shaza Oman Company SAOC	5	Fair value	100,000	108,900
National Takaful Company (Watania)	67	Fair value	14,303,596	1,609,669
	<u>100</u>			<u>2,386,283</u>

Currently the percentage of National Takaful Company (Watania) investment in relation to overall investments of the Company is 6.33% which exceeds the limit prescribed by Regulations for Investing Assets for Insurance Companies issued by CMA. As per the Regulation, investments in any one listed company should not exceed 5% of the total investments of the insurer. The Company in the process of renewing the approval obtained last year from CMA.

*10.1 Movement in investments at fair value through equity*

	31 March 2016 Unaudited RO	31 December 2015 Audited RO
At the beginning of the period	2,386,283	2,042,447
Purchases	-	280,318
Net change in fair value	(475)	843,590
Redemption of investment	-	(6,793)
Impairment loss on investment	-	(773,279)
At the end of the period	<u>2,385,808</u>	<u>2,386,283</u>

*10.2 Movement in investments fair value reserve:*

	31 March 2016 Unaudited RO	31 December 2015 Audited RO
At the beginning of the period	650,401	(193,189)
Movement of investment fair value adjustment at the end of the period	(475)	843,590
At the end of the period	<u>649,926</u>	<u>650,401</u>



**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION  
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**11 Investments carried at amortised cost**

The Company has invested in sukuks listed in the local and international markets. The Company has a positive intention and ability to hold sukuks until their maturity in October 2018 and November 2018, respectively.

	<b>31 March 2016 Unaudited RO</b>	31 December 2015 Audited RO
At the beginning of the period	2,755,228	2,762,436
Amortised during the period	(1,861)	(7,208)
At the end of the period	<b>2,753,367</b>	2,755,228

11.1 The fair value of local and foreign sukuks as at 31 March 2016 is of RO 2,753,367 (31 December 2015 - RO 2,755,228).

*11.2 Restrictions on transfer of assets*

In accordance with the law governing the operation of insurance companies within the Sultanate of Oman, the Company identified 25,000 units (31 December 2015 -25,000 units) with the carrying value of RO 2,500,000 (31 December 2015 - RO 2,500,000) to the Capital Market Authority. The Company can only transfer these assets with the prior approval of the CMA.

**12 Investment in real estate**

12.1 Movement of carrying amounts of investment in real estate:

	<b>31 March 2016 Unaudited RO</b>	31 December 2015 Audited RO
At the beginning of the period	6,245,911	6,235,111
Purchases during the period	-	10,800
At the end of the period	<b>6,245,911</b>	6,245,911

12.1 As of 31 March 2016, the Company has investment in investment real estate of RO 6,245,911 (31 December 2015 – RO 6,245,911) which is 25% of overall investments of the Company, which exceeds the limit prescribed by Regulations for Investing Assets for Insurance Companies issued by CMA. As per the Regulation, investments in real estate should not exceed 20% of the total investments of the insurer. The Company is in the process of renewing the approval obtained last year from CMA.

**13 Property and equipment**

	<b>31 March 2016 Unaudited RO</b>	31 December 2015 Audited RO
<b>Net book value</b>		
At 1 January	1,229,759	947,087
Additions during the period	22,360	493,527
Disposals during the period	(17,040)	-
Depreciation for the period	(64,974)	(210,855)
At the end of the period	<b>1,170,105</b>	1,229,759

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016 (continued)**

**14 Contingency reserve**

In accordance with Article 10(bis) (2)(c) and 10(bis) (3)(b) of Regulations for Implementing Insurance Companies Law (Ministerial Order 5/80), as amended, 10% of the net outstanding claims in case of the general insurance business and 1% of the life assurance contributions for the period for life insurance business at the reporting date is transferred from retained earnings to a 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 Capital Market Authority.

CMA has issued the Draft Takaful Law, however, the detailed rules and regulations are not available for the calculation of the Contingency reserve for Takaful Business operations. During the current year the Company has added an amount of RO 414,609 (2015 - RO 287,871) to the contingency reserve, with respect to the general takaful business. This amount has been charged to the participants' fund.

**15 Takaful revenue / insurance income**

	<b>Quarter ended 31 March 2016 RO Unaudited</b>	<b>Quarter ended 31 March 2015 RO Unaudited</b>
Gross contributions	6,426,417	6,557,409
Movement in unearned contributions reserve	(4,304)	(621,308)
<b>Contributions before retakaful / reinsurance - net</b>	<b>6,422,113</b>	<b>5,936,101</b>
Contributions ceded to retakaful/reinsurance	(2,994,027)	(2,669,516)
Movement in unearned contributions reserve	181,876	90,227
<b>Contributions ceded to retakaful/reinsurance - net</b>	<b>(2,812,151)</b>	<b>(2,579,289)</b>
<b>Net contributions earned</b>	<b>3,609,962</b>	<b>3,356,812</b>
Commission received on business ceded to retakaful / reinsurance	272,638	223,008
Commissions paid	(383,500)	(523,776)
Movement in unearned commission reserve	(85,473)	28,912
<b>Net commission expense</b>	<b>(196,335)</b>	<b>(271,856)</b>
Takaful policy expenses (technical)	(14,024)	(8,734)
Policy fee and other takaful / insurance related income	299,442	133,560
<b>Total takaful revenue</b>	<b>3,699,045</b>	<b>3,209,782</b>

*15.1 Takaful / insurance revenue analysis*

	<b>Quarter ended 31 March 2016 - unaudited</b>		<b>Quarter ended 31 March 2015 - unaudited</b>	
	<b>Net contributions RO</b>	<b>Contributions revenue before retakaful / reinsurance RO</b>	<b>Net contributions RO</b>	<b>Contributions revenue before retakaful / reinsurance RO</b>
Motor	2,217,961	2,253,917	2,189,228	2,462,510
Fire, accidents, engineering and others	396,332	2,278,953	378,757	2,298,221
Marine cargo and hull	24,368	130,401	18,003	128,240
Medical	862,255	927,725	600,222	989,931
Life	109,046	835,421	170,602	678,507
	<b>3,609,962</b>	<b>6,426,417</b>	<b>3,356,812</b>	<b>6,557,409</b>

15.2 Contributions revenue before retakaful/reinsurance is calculated as the sum of gross contributions and adjustment for unearned contributions reserve thereon, gross claims incurred, commission expense and adjustment for deferred commission expense thereon and policy fee and other income.

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION  
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**16 Net claims incurred**

	Quarter ended 31 March 2016 - unaudited Retakaful / reinsurances'			Quarter ended 31 March 2015 - unaudited Retakaful / reinsurances'		
	Gross RO	share RO	Net RO	Gross RO	share RO	Net RO
Claims notified and not settled	6,453,029	(2,841,422)	3,611,607	7,158,196	(3,624,567)	3,533,629
Claims incurred but not reported	1,055,182	(831,294)	223,888	413,606	(286,603)	127,003
Outstanding at end of the period	<b>7,508,211</b>	<b>(3,672,716)</b>	<b>3,835,495</b>	7,571,802	(3,911,170)	3,660,632
Takaful claims paid	<b>3,358,791</b>	<b>(603,054)</b>	<b>2,755,737</b>	2,976,844	(1,414,807)	1,562,037
Claims notified and not settled	6,667,087	(2,945,940)	3,721,147	6,577,036	(3,756,624)	2,820,412
Claims incurred but not reported	996,466	(798,768)	197,698	1,455,142	(1,254,765)	200,377
Outstanding at beginning of the period	7,663,553	(3,744,708)	3,918,845	8,032,178	(5,011,389)	3,020,789
Claims incurred	<b>3,203,449</b>	<b>(531,061)</b>	<b>2,672,388</b>	2,516,468	(314,588)	2,201,880

**17 Wakala fees and mudharaba share**

The shareholders manage the General and Family Takaful operations for the participants and charge 20% (2015 - 20%) and 20% (2015 - 20%) respectively of gross contributions as a Wakala fee. The shareholders also manage the participants fund as a Mudharab and charge 60% (2015 -70%) and 60% (2015 -70%) of the General Takaful and Family Takaful investment income earned by the participants' investment funds, respectively. The maximum chargeable Wakala fee and Mudharaba share as approved by the Sharia Supervisory Board, are 20% and 60% (2015 - 70%) respectively.

**18 Investment income - net**

	Quarter ended 31 March 2016 RO Unaudited	Quarter ended 31 March 2015 RO Unaudited
Investment property rental income	181,656	180,693
Dividend income	173,084	220,926
Fair value (loss) / gain on investments held at fair value through profit or loss	(106,444)	27,253
Profit on Wakala deposits	11,886	10,674
Realised gain / (loss) on sale of investments	10,126	(9,313)
Impairment of Investment	-	(7336)
Investment management costs	(31,439)	(26,143)
	<b>238,870</b>	396,754

**19 Sharia supervisory board**

The Company business activities are subject to the supervision of a Sharia supervisory Board consisting of four members appointed by the Board of Directors. The Sharia Supervisory Board performs a supervisory role in order to determine whether the operations of the Company are conducted in accordance with Islamic Sharia rules and principles.

**20 Takaful reserve**

Sharia Board of the Company has formulated a policy for the Takaful Reserve. As per the policy in one period maximum of 50% of the Takaful Surplus for the period can be transferred to the Takaful Reserve until such balance equals the share capital. During the period the Company has not transferred any amount from Takaful Surplus to Takaful Reserve.

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016 (continued)**

**21 Earnings per share**

	<b>Quarter ended 31 March 2016 Unaudited</b>	<b>Quarter ended 31 March 2015 Unaudited</b>
Profit for the period - RO	<b>463,117</b>	655,169
Weighted average number of shares outstanding - number	<b>175,000,000</b>	175,000,000
Earnings per share – basic and diluted - RO	<b>0.003</b>	0.004

Basic earnings per share is calculated by dividing the profit for the period by the weighted average number of shares outstanding during the period. There is no effect on diluted earnings per share as the Company does not have any instruments having diluting effects.

**22 Related parties**

These represent transactions with related parties, i.e. parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions and directors of the Company and companies of which they are key management personnel. Related parties comprise the shareholders, directors, key management personnel and business entities in which they are interested or have the ability to control or exercise significant influence in financial and operating decisions. The transactions are entered into at terms and conditions which the directors consider to be comparable with those adopted for arm's length transactions with third parties. The approximate volumes of such transactions involving related parties and holders of 10% or more of the Company's shares or their family members other than those separately disclosed, during the period were as follows:

**(a) Transactions with related parties**

Transactions with related parties or holders of 10% or more of the Company's shares or their family members, included in the statement of participants' revenue and expenses and statement of profit or loss and comprehensive income are as follows:

	<b>Quarter ended 31 March 2016 RO Unaudited</b>	<b>Quarter ended 31 March 2015 RO Unaudited</b>
Premium	<b>461,046</b>	270,013
Retakaful/reinsurance premium	<b>30,904</b>	46,208
Claims	<b>314,473</b>	860,924
Retakaful/reinsurance claims	<b>602</b>	597
Board sitting fees	<b>11,800</b>	27,132
Rental income	<b>56,325</b>	52,000
Sharia committee fee	<b>8,375</b>	9,877
Management consultancy fee	<b>3,549</b>	12,934

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION  
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**22 Related parties (continued)**

**(b) Balances with related parties**

Balances due from related parties or holders of 10% or more of the Company's shares, or their family members, less provisions and write offs, and is analysed as follows:

	<b>31 March 2016 Unaudited RO</b>	<b>31 December 2015 Audited RO</b>
<b>Takaful and retakaful / reinsurance contract receivables</b>		
Premium balances receivables from other related parties	<b>1,401,458</b>	1,832,733
Other receivable	<b>47,341</b>	99,682
<b>Investment receivables</b>		
Rental income receivable	<b>143,150</b>	101,100
Accrued interest on investment in Modern Sukuk Company SAOC	<b>52,198</b>	20,948
Investment in Modern Sukuk SAOC	<b>2,510,716</b>	2,511,592
Investment in real estate	<b>500,000</b>	500,000
Investments at fair value through equity	<b>1,890,769</b>	1,890,769

Outstanding balances at period-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables. For the period ended 31 March 2016, the Company has not established any provision for doubtful debts relating to amounts owed by related parties as the payment history has been good. This assessment is undertaken each financial period through examining the financial position of the related party and the market in which the related party operates. Amount due to, and from, related parties are income free and payable on demand.

**(c) Compensation of key management personnel of the Company:**

Compensation of key management personnel of the Company, consisting of salaries and benefits, was as follows:

	<b>Quarter ended 31 March 2016 RO</b>	<b>Quarter ended 31 March 2015 RO</b>
Short-term benefits	<b>127,804</b>	132,556
Employee end of service benefits	<b>9,545</b>	30,347
	<b>137,349</b>	162,903

**23 Contingencies**

**Contingent liabilities**

At 31 March 2016, the Company had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business amounts to RO 133,363 (31 December 2015 - RO 134,623).

**Capital commitment**

At 31 March 2016, the company has capital commitments of RO 52,580 (31 December 2015 - RO 37,580) in respect of its office renovation work.

**Legal claims**

The Company, in common with the significant majority of insurers, is subject to litigation in the normal course of its business. The Company, based on independent legal advice, does not believe that the outcome of these court cases will have a material impact on the Company's financial performance.

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016 (continued)**

**24 Segment information**

**Business segments – primary reporting segment**

The Company has two reportable business segments, as described below, which are the Company's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic units, the Company's CEO reviews internal management reports on at least a quarterly basis.

**Operating segments**

The Company has the following operating segments:

*General takaful*

General business includes takaful and retakaful/reinsurance of motor; fire and general accident; and marine cargo and hull.

*Family takaful*

Family business relates to the takaful of the life of an individual.

<b>Quarter ended 31 March 2016 - Unaudited</b>	<b>General takaful RO</b>	<b>Family takaful RO</b>	<b>Total RO</b>
Takaful revenue (net of retakaful / reinsurance)	<b>3,519,008</b>	<b>180,037</b>	<b>3,699,045</b>
Takaful expenses (net of retakaful / reinsurance)	<b>(2,605,848)</b>	<b>(66,539)</b>	<b>(2,672,387)</b>
<b>Segment results</b>	<b>913,160</b>	<b>113,498</b>	<b>1,026,658</b>
Investment income	<b>24,361</b>	<b>246</b>	<b>24,607</b>
Mudarib share	<b>(14,617)</b>	<b>(148)</b>	<b>(14,765)</b>
Wakala fees	<b>(1,118,199)</b>	<b>(167,084)</b>	<b>(1,285,283)</b>
<b>Surplus / (deficit) for the period</b>	<b>(195,295)</b>	<b>(53,488)</b>	<b>(248,783)</b>
<b>Segment assets</b>	<b>22,241,928</b>	<b>2,742,877</b>	<b>24,984,805</b>
Assets allocated to shareholders	-	-	<b>23,813,194</b>
<b>Total assets</b>	<b>22,575,895</b>	<b>2,742,877</b>	<b>48,797,998</b>
<b>Segment liabilities</b>	<b>23,720,496</b>	<b>3,187,779</b>	<b>26,908,275</b>
Liabilities allocated to shareholders	-	-	<b>733,971</b>
<b>Total liabilities</b>	<b>23,720,496</b>	<b>3,187,779</b>	<b>27,642,246</b>

<b>Quarter ended 31 March 2015 - Unaudited</b>	<b>General Takaful RO</b>	<b>Family Takaful RO</b>	<b>Total RO</b>
Takaful revenue (net of retakaful / reinsurance)	3,070,280	139,502	3,209,782
Takaful expenses (net of retakaful / reinsurance)	(2,263,259)	61,379	(2,201,880)
Segment results	807,021	200,881	1,007,902
Investment income	24,094	243	24,337
Mudarib share	(16,866)	(170)	(17,036)
Wakala fees	(1,175,780)	(135,701)	(1,311,481)
Surplus / (deficit) for the period	(361,531)	65,253	(296,278)
Segment assets	21,945,367	2,204,352	24,149,719
Assets allocated to shareholders	-	-	22,023,049
Total assets	21,945,367	2,204,352	46,172,768
Segment liabilities	22,133,795	2,306,248	24,440,043
Liabilities allocated to shareholders	-	-	845,537
Total liabilities	22,133,795	2,306,248	25,285,580

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016 (continued)****24 Segment information (continued)**

The activities of the Company are restricted to carrying out takaful, on the principles of Sharia'a significant portion of which is concentrated in the GCC countries which are subject to similar risks and rewards. Accordingly, no segmental information relating to products and services has been presented.

**Geographical segments – secondary reporting segment**

The Company has one geographical segment as all their operations are carried inside the Sultanate of Oman.

**25 Corresponding figures**

Certain corresponding figures have been reclassified in order to conform to the presentation adopted for the current period. Such reclassifications do not affect previously reported results or equity.