## **Bahrain National Holding Company** CONSOLIDATED STATEMENT OF CASH FLOWS For the year ended 31 December 2019 (In thousands of Bahraini Dinars)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 31 December 2019 (In thousands of Bahraini Dinars)

#### 2019 ASSETS Cash and cash equivalents Placements with banks Insurance and other receivables Financial investments Equity accounted investees Reinsurers' share of insurance to Deferred acquisition cost Investment properties Intangible assets Property and equipment Statutory deposits ASSETS 4,254 14,767 11,493 32,148 18,520 16,772 nce technical res 732 2,731 266 4,024 125 Total assets 105,832 LIABILITIES Insurance technical reserves Insurance payables Other provisions and liabilities 35,958 6,102 7,117 Total liabilities 49.177 Net assets 56,655 EQUITY Share capital 11.918 Treasury shares Share premium Statutory reserve (1,868) 3,990 5,959 13,585 4,615 General reserve Fair value reserve Retained earnings 15,641

	(in thousands of barrain binars)		
018		2019	2018
	OPERATING ACTIVITIES		
	Insurance operations		
	Premiums and service fees received, net of acquisition costs	33,175	33,808
	Payments to insurance and reinsurance companies	(15,833)	(15,771)
	Claims paid to policyholders	(22,326)	(20,918)
	Claims recovered from reinsurers and salvage recoveries	11,623	11,368
	Cash flows from insurance operations	6,639	8,487
	Investment operations		
	Dividends and interest received	1,720	1,724
	Proceeds from sale and redemptions of		
	financial investments	10,771	14,813
	Payments for purchases of financial investments	(7,784)	(16,909)
	Bank deposits with maturities of more than		
	three months	(14,767)	(3,497)
	Redemption proceeds from bank deposits	3,497	9,333
	Payment for investment in equity accounted investees	(105)	-
	Dividends received from equity accounted investees	957	1,152
	Payment for investment properties	(10)	(2)
	Rent received	254	341
	Cash flows from investment operations	(5,467)	6,955
	Expenses paid	(6,166)	(5,286)
	Cash flows from operating activities	(4,994)	10,156
	INVESTMENT ACTIVITIES		
	Purchase of property, equipment and intangible assets	(44)	(531)
	Cash flows used in investment activities	(44)	(531)
	FINANCING ACTIVITIES		
	Dividends paid to shareholders	(1,623)	(1,411)
	Dividends paid to non-controlling interest	(140)	(102)
	Donations paid	(32)	(28)
	Payments of lease liabilities	(94)	-
	Cash flows used in financing activities	(1,889)	(1,541)
	Net change in cash and cash equivalents	(6,927)	8,084
	Cash and cash equivalents at 1 January	11,181	3,097
		4.054	44.404

Farooq Yusuf Almoayyed - Chairman

Cash and cash equivalents at 31 December

11,181

2018 25,222 (11,190)

14,032

(283)

2019 24,496

(11,547)

12,949

4,254

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS For the year ended 31 December 2019 (In thousands of Bahraini Dinars)

	2019	2018
Gross insurance premiums	33,804	33,581
Reinsurers' share of gross insurance premiums	(17,052)	(16,267)
Retained premiums	16,752	17,314
Net change in reserve for unearned premiums	739	(613
Net premiums earned	17,491	16,701
Gross claims paid	(22,206)	(21,394)
Claims recoveries	11,654	10,768
Outstanding claims adjustment - gross	(4,403)	(2,141)
Outstanding claims adjustment - reinsurance	3,876	784
Net claims incurred	(11,079)	(11,983)
Gross underwriting profit	6,412	4,718
Actuarial adjustment on life assurance obligation	-	19
Net commission and fee income	195	60
Impairment losses on insurance receivables	(1,003)	(305)
General and administration expenses - underwriting	(3,607)	(3,801)
Other income	59	33
Net underwriting profit	2,056	724
Net investment income	3,097	2,319
Impairment losses on investment	(89)	(50)
Share of profit of equity accounted investees	1,618	2,098
Net income from road assist services	242	125
General and administration expenses - non-underwriting	(1,905)	(1,729)
Other income	8	5
Profit for the year	5,027	3,492
Profit attributable to:		
Parent company	4,792	3,279
Non-controlling interest	235	213
	5,027	3,492
Basic and diluted earnings per share	42.6 fils	29.4 fils

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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For the year ended 31 December 2019 (In thousands of Bahraini Dinars)

	2019	2018
Profit for the year	5,027	3,492
Other comprehensive income:		
tems that may be reclassified to profit or loss:		
Available-for-sale securities:		
- Change in fair value	3,270	47
- Transfer to statement of profit or loss on impairment		
of securities	77	2
- Transfer to statement of profit or loss on disposal		
of securities	(1,335)	(805
Share of other comprehensive income of equity		
accounted investees	121	(6
Other comprehensive income	2,133	(743
Total comprehensive income	7,160	2,749
Total comprehensive income attributable to:		
Parent company	6,709	2,622
Non-controlling interest	451	123
	7,160	2,749

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2019

Equity attributable to shareholders of the Parent Company

Non-controlling interest

Total equity

n thousands of Bahraini Dinars) Attributable to the shareholders of the Parent company										
2019	Share capital	Treasury shares	Share premium	Statutory reserve	General reserve	Fair value reserve	Retained earnings	Total	Non-controlling Interest	Total Equity
Balance at 1 January	11,918	(1,868)	3,990	5,959	13,585	2,698	12,568	48,850	2,504	51,354
Profit for the year	-	-	-	-	-	-	4,792	4,792	235	5,027
Other comprehensive income	-	-	-	-	-	1,917	-	1,917	216	2,133
Total comprehensive income	-	-	-	-	-	1,917	4,792	6,709	451	7,160
Dividends declared for 2018	-	-	-	-	-	-	(1,689)	(1,689)	(140)	(1,829)
Donations declared for 2018	-	-	-	-	-	-	(30)	(30)	-	(30)
Appropriations approved by shareholders	5 -	-	-	-	-	-	(1,719)	(1,719)	(140)	(1,859)
Balance at 31 December	11,918	(1,868)	3,990	5,959	13,585	4,615	15,641	53,840	2,815	56,655

		Attributable to the shareholders of the parent company								
2018	Share capital	Treasury shares	Share premium	Statutory reserve	General reserve	Fair value reserve	Retained earnings	Total	Non-controlling Interest	Total Equity
Balance at 1 January, as previously reported Adjustment on initial application of IFRS 15	11,350	(1,868)	3,990	5,675	13,585	3,355	11,754	47,841	2,479	50,320
by non-insurance subsidiary Adjustment on initial application of IFRS 9 by	-	-	-	-	-	-	(75)	(75)	-	(75)
non-insurance equity accounted investee	-	-	-	-	-	-	(241)	(241)	-	(241)
Restated balance at 1 January	11,350	(1,868)	3,990	5,675	13,585	3,355	11,438	47,525	2,479	50,004
Profit for the year	-	-	-	-	-	-	3,279	3,279	213	3,492
Other comprehensive income	-	-	-	-	-	(657)	-	(657)	(86)	(743)
Total comprehensive income	-	-	-	-	-	(657)	3,279	2,622	127	2,749
Bonus shares issued	568	-	-	-	-	-	(568)	-	-	-
Transfer to statutory reserve	-	-	-	284	-	-	(284)	-	-	-
Dividends declared for 2017	-	-	-	-	-	-	(1,287)	(1,287)	(102)	(1,389)
Donations declared for 2017	-	-	-	-	-	-	(10)	(10)	-	(10)
Appropriations approved by shareholders	568	-	-	284	-	-	(2,149)	(1,297)	(102)	(1,399)
Balance at 31 December	11,918	(1,868)	3,990	5,959	13,585	2,698	12,568	48,850	2,504	51,354

Audited by KPMG Fakhro bni 

STATEMENT OF PROFIT OR LOSS For the year ended 31 December 2019

2018

53,840

2,815

56,655

51,354

#### Bahrain National Insurance

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

201
3,022
11,65
8,52

ASSETS		
Cash and cash equivalents	3,022	8,603
Placements with banks	11,653	2,822
Insurance and other assets	8,521	8,181
Reinsurers' share of insurance		
technical reserves	14,102	10,198
Deferred acquisition cost	558	472
Financial investments	22,534	22,279
Intangible assets	133	140
Property and equipment	2,067	732
Statutory deposits	75	75
Total assets	62,665	53,502
LIABILITIES		
Insurance technical reserves	27,852	24,491
Insurance payables	4,910	3,998
Other provisions and liabilities	5,430	3,846
Total liabilities	38,192	32,335
Net assets	24,473	21,167
EQUITY		
Share capital	6,500	6,500
Statutory reserve	3,250	3,250
General reserve	4,155	4,155
Investment fair value reserve	4,527	3,471
Retained earnings	6,041	3,791
Total equity	24,473	21,167

#### STATEMENT OF CASH FLOWS

For the year ended 31 December 2019 (In thousands of Bahraini Dinars)

	2019	2018
OPERATING ACTIVITIES		
Premiums received, net of acquisition costs	25,681	25,44
Payments to insurance and reinsurance		
companies	(10,928)	(10,360
Claims paid to policyholders	(15,538)	(15,822
Claims recovered from reinsurers and salvage		
recovered	7,065	7,56
Expenses paid	(4,239)	(3,208
Cash flows from operating activities	2,041	3,61
INVESTMENT ACTIVITIES		
Dividends and interest received	1,514	1,58
Proceeds from sale and redemption of securitie	s 7,128	9,10
Payments for purchase of securities	(5,451)	(10,386
Payments for purchase of property &		
equipment and intangible assets	(98)	(186
Bank deposits with maturities of more than		
three months	(11,653)	(2,822
Proceeds from redemption of bank deposits		
with maturities of more than three months	2,822	6,35
Cash flows (used in)/from investment activitie	s (5,738)	3,65
FINANCING ACTIVITIES		
Dividend paid	(1,680)	
Payments of lease liabilities	(189)	
Donations paid	(15)	(14
Cash flows used in financing activities	(1,884)	(14
Net change in cash and cash equivalents	(5,581)	7,24
Cash and cash equivalents at 1 January	8,603	1,354
Cash and cash equivalents at 31 December	3,022	8,60

Abdulhussain Khalil Dewani

Chairman

Audited by:

KPMG Fakhro

ss insurance premiums Isurers' share of gross insurance premiums Gross Reta ined pren oremiums ed premiums adjust

Net earned premiums	13,912	13,749
Gross claims paid	(15,556)	(16,284)
Claims recoveries	6,851	6,970
Outstanding claims adjustment - Gross	(3,781)	(1,282)
Outstanding claims adjustment - Reinsurance	3,523	208
Net claims incurred	(8,963)	(10,388)
Gross underwriting profit	4,949	3,361
Net commission and fee income	620	316
Impairment losses on insurance receivables	(992)	(246)
General and administration expenses - underwriting	(2,901)	(3,085)
Other income	43	21
Net underwriting profit	1,719	367
Net investment income	2,678	2,061
Impairment losses on investments	(67)	(16)
Net income from road assist services	115	-
General and administration expenses - non-underwriting	(495)	(486)
Profit for the year	3.950	1,926

#### STATEMENT OF COMPREHENSIVE INCOM

For the year ended 31 December 2019 (In thousands of Bahraini dinars)

	2019	2018
Profit for the year	3,950	1,926
Other comprehensive income: Items that may be reclassified to profit or loss:		
Available-for-sale securities: - Change in fair value	2,044	174
- Transfer to profit or loss on impairment of securities	54	-
- Transfer to profit or loss on disposal of securities	(1,042)	(583)
Total other comprehensive income	1,056	(409)
Total comprehensive income	5,006	1,517

#### STATEMENT OF CHANGES IN EOUITY

Sami Mohamed Zainal

Vice Chairman

For the year ended 31 Decem	ber 2019					
(In thousands of Bahraini dinars)				Investment		
2019	Share capital	Statutory reserve	General reserve		Retaine earning	
Balance at 1 January	6,500	3,250	4,155	3,471	3,791	21,167
Profit for the year	-	-	-	-	3,950	3,950
Other comprehensive income	-	-	-	1,056	-	1,056
Dividends declared for 2018	-	-	-	-	(1,680)	(1,680
Donations declared for 2018	-	-	-	-	(20)	(20
Balance at 31 December	6,500	3,250	4,155	4,527	6,041	24,473
2018						
Balance at 1 January	6,500	3,250	4,155	3,880	1,865	19,650
	-		-	-	1,926	1,926
Profit for the year						
Profit for the year Other comprehensive loss	-	-	-	(409)	-	(409)

Eman Salem Mujali

General Manager

bn	
Bahrain N	lational Life Assurance

Abdulhussain Khalil Dewani - Vice Chairman

STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

(IT thousands of barrain binars)		
	2019	2018
ASSETS		
Cash and cash equivalents	775	2,032
Placements with banks	3,114	675
Insurance and other assets	2,599	1,840
Reinsurers' share of insurance		
technical reserves	2,670	2,244
Deferred acquisition costs	174	161
Financial investments	11,841	11,843
Intangible assets	31	32
Property and equipment	196	27
Statutory deposits	50	50
Total assets	21,450	18,904
LIABILITIES		
Insurance technical reserves	8,187	6,925
Insurance payables	1,192	601
Other provisions and liabilities	857	1,400
Total liabilities	10,236	8,926
Net assets	11,214	9,978
EQUITY		
Share capital	5,000	5,000
Statutory reserve	806	712
General reserve	11	11
Investment fair value reserve	1,142	277
Retained earnings	4,255	3,978
Total equity	11 214	9 978

#### STATEMENT OF CASH FLOWS For the year ended 31 December 2019 (In thousands of Bahraini Dinars)

(In thousands of Banraini Dinars)		
	2019	2018
OPERATING ACTIVITIES		
Premiums received, net of acquisition costs	8,256	8,043
Payments to insurance and reinsurance		
companies	(5,003)	(5,574)
Claims and surrenders paid to policyholders	(7,234)	(5,314)
Claims recovered from reinsurers	4,602	3,850
Payments made for general and administration		
expenses	(672)	(598)
Cash flows (used in)/from operating activi	407	
INVESTMENT ACTIVITIES		
Dividends and interest received	580	570
Proceeds from sales and redemptions of		
financial investments	3,643	5,697
Payments for purchases of financial investments	(2,370)	(6,411)
Purchase of equipment and intangible assets	(25)	(9)
Bank deposits with maturities of more		
than three months	(3,114)	(675)
Proceeds from redemption of bank deposits		
with maturities of more than three months	675	2,022
Cash flows (used in)/from investment activities	s (611)	1,194
FINANCING ACTIVITIES		
Dividends paid	(560)	(410)
Payments of lease liability	(20)	-
Donations paid	(15)	(4)
Cash flows used in financing activities	(595)	(414)
Net change in cash and cash equivalents		
during the year	(1,257)	1,187
Cash and cash equivalents at 1 January	2,032	845
Cash and cash equivalents at 31 December	775	2,032

### Sameer Al Wazzan - Chief Executive Officer

STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2019

	2019	2018
Gross insurance premiums	9,533	8,574
Reinsurers' share of gross insurance premiums	(5,603)	(5,241)
Retained premiums	3,930	3,333
Net change unearned premium reserve	(224)	(331)
Net premiums earned	3,706	3,002
Gross claims paid	(6,901)	(5,364)
Reinsurance recoveries	4,847	3,842
Outstanding claims adjustment - Gross	(616)	(893)
Outstanding claims adjustment - Reinsurance	352	577
Net claims incurred	(2,318)	(1,838)
Gross underwriting profit	1,388	1,164
Net commission expenses	(424)	(257)
Impairment losses on receivables	(11)	(59)
General and administration expenses - underwriting	(577)	(527)
Actuarial adjustment on life assurance obligation	-	19
Other income	16	12
Net underwriting profit	392	352
Net investment income	674	639
Impairment losses on investments	(23)	(34)
General and administration expenses – non-underwriting	(102)	(105)
Profit for the year	941	852

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2019

(In thousands of Bahraini dinars)

#### 2019 2018 Profit for the year 852 Profit for the year Other comprehensive income: Items that are or may be reclassified to profit or loss: Available-for-sale securities: - Change in fair value - Transfer to statement of profit or loss on impairment of securities - Transfer to statement of profit or loss on disposal of securities 941 1,134 (137) (225) (341) rities 23 s (292) Other comprehensive income 865 Total comprehensive income 1,806 511

STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2019 (In thousands of Bahraini Dinars)

#### nt fair Re reserve reserve value res capital 5,000 277 3,978 2019 Total Balance at 1 January Profit for the year 3,978 941 712 9,978 941 865 11 865 Other comprehensive incom Transfer to statutory reserve Dividends declared for 2018 Donations declared for 2018 94 (94) (560) (560) (10) (10) Balance at 31 Decemb 11 1,142 4,255 11,214 5,000 806 2018 Balance at 1 January Profit for the year 3,631 852 5,000 627 11 618 9,887 852 Other comprehensive income (341) (341) Transfer to statutory reserve 85 (85) Dividends declared for 2017 (410) (410) (10) (10) - (10) (10) - (10) (10) 277 3,978 9,978 ations declared for 2017 Balance at 31 Dec

Abdulrahman Mohamed Juma Redha Abdulla Ali Faraj KPMG Fakhro Chairman

Enas Asiri General Manage