

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022	30 June 2022 (reviewed)	31 December 2021 (audited)
(In thousands of Bahraini Dinars)		
ASSETS		
Cash and cash equivalents	10,070	4,962
Placements with banks	17,395	21,919
Insurance receivables	9,286	7,896
Other assets	2,258	1,991
Reinsurers' share of insurance technical reserves	17,787	17,551
Deferred acquisition cost	1,110	979
Financial investments	46,910	37,743
Equity accounted investees	10,618	19,825
Investment properties	2,313	2,397
Intangible assets	348	348
Property and equipment	3,440	3,539
Statutory deposits	132	131
Total assets	121,725	119,281
LIABILITIES		
Insurance technical reserves	39,899	38,670
Insurance payables	8,990	8,821
Other provisions and liabilities	5,309	5,940
Total liabilities	54,198	53,431
Net assets	67,527	65,850
EQUITY		
Share capital	11,918	11,918
Treasury shares	-	(1,868)
Share premium	3,990	3,990
Statutory reserve	5,959	5,959
General reserve	13,585	13,585
Investments fair value reserve	3,831	6,721
Retained earnings	24,822	21,912
Equity attributable to shareholders of the Parent company	64,105	62,217
Non-controlling interest	3,422	3,633
Total equity	67,527	65,850

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2022	30 June 2022 (reviewed)	30 June 2021 (reviewed)
(In thousands of Bahraini Dinars)		
OPERATING ACTIVITIES		
Insurance operations		
Premiums and commissions received, net of acquisition costs	20,968	18,461
Payments to insurance and reinsurance companies	(10,972)	(8,263)
Claims paid to policyholders	(10,381)	(10,298)
Claims recovered from insurers, reinsurers, and salvage recoveries	4,885	4,146
Cash flows from insurance operations	4,500	4,046
Investment operations		
Proceeds from sale and redemptions of financial investments	8,987	5,948
Purchases and advances of investments	(9,462)	(6,625)
Bank deposits with maturities of more than three months	(6,103)	(12,537)
Redemption proceeds from bank deposits	10,627	12,573
Dividends and interests received	1,118	1,048
Dividends received from equity accounted investees	550	526
Loan recovered from equity accounted investee	75	-
Investments in equity accounted investee	-	(2)
Rent received	223	181
Cash flows from investment operations	6,015	1,112
General and admin expenses, net	(4,229)	(2,992)
Cash flows from operating activities	6,286	2,166
INVESTMENT ACTIVITIES		
Purchase of equipment and intangible assets	(143)	(92)
Cash flows used in investment activities	(143)	(92)
FINANCING ACTIVITIES		
Dividends paid to shareholders	(3,378)	(2,478)
Dividends paid to non-controlling interest	(175)	-
Proceeds from sale of treasury shares	2,554	-
Payment of lease liabilities	(36)	(42)
Cash flows used in financing activities	(1,035)	(2,520)
Net change in cash and cash equivalents	5,108	(446)
Cash and cash equivalents as at 1 January	4,962	5,991
Cash and cash equivalents as at 30 June	10,070	5,545

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2022	Six months ended 30 June 2022 (reviewed)	Six months ended 30 June 2021 (reviewed)	Three months ended 30 June 2022 (reviewed)	Three months ended 30 June 2021 (reviewed)
(In thousands of Bahraini Dinars)				
Gross insurance premiums	21,585	20,519	9,855	9,851
Reinsurers' share of gross insurance premiums	(11,219)	(10,471)	(5,444)	(5,724)
Retained premiums	10,366	10,048	4,411	4,127
Net change in reserve for unearned premiums	(1,090)	(1,266)	202	253
Net premium earned	9,276	8,782	4,613	4,380
Gross claims paid	(10,365)	(9,486)	(5,361)	(5,075)
Claims recoveries	5,565	5,668	2,772	2,837
Outstanding claims adjustment - Gross	22	12	284	93
Outstanding claims adjustment - Recoveries	88	(1,036)	59	(400)
Net claims incurred	(4,690)	(4,842)	(2,246)	(2,545)
Gross underwriting profit	4,586	3,940	2,367	1,835
Net commission income	446	274	331	117
Impairment losses on insurance receivables and recoveries	(362)	(219)	(284)	(154)
General and administration expenses - underwriting	(2,360)	(2,189)	(1,080)	(1,068)
Other underwriting income	48	239	24	238
Net underwriting profit	2,358	2,045	1,358	968
Net investment income	2,636	1,580	1,477	541
Impairment losses on investments	(4,511)	(108)	(4,509)	(48)
Gain on derecognition of equity accounted investee	5,872	-	-	-
Share of profit of equity accounted investees	672	734	288	349
Net income from road assist services	122	143	59	75
General and administration expenses - non-underwriting	(1,228)	(1,128)	(656)	(607)
Other income	4	-	2	-
Profit for the period	5,925	3,266	(1,981)	1,278
Profit attributable to:				
Parent company	5,643	3,142	(2,133)	1,257
Non-controlling interest	282	124	152	21
5,925	3,266	(1,981)	1,278	
Basic and diluted earnings per share	48.9 fils	27.9 fils	(18.0 fils)	11.2 fils

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2022	Six months ended 30 June 2022 (reviewed)	Six months ended 30 June 2021 (reviewed)	Three months ended 30 June 2022 (reviewed)	Three months ended 30 June 2021 (unreviewed)
(In thousands of Bahraini Dinars)				
Profit for the period	5,925	3,266	(1,981)	1,278
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss:				
Available-for-sale securities:				
- Net change in fair value	(5,773)	1,211	(4,438)	1,396
- Transfer to profit or loss on impairment of securities	4,495	108	4,493	48
- Transfer to profit or loss on disposal of securities	(1,817)	(636)	(1,254)	(324)
Share of other comprehensive income of equity accounted investee	(139)	34	(116)	119
Transfer to statement of profit or loss on reclassification of equity accounted investee to financial investment	(15)	-	-	-
Other comprehensive income for the period	(3,249)	717	(1,315)	1,239
Total comprehensive income for the period	2,676	3,983	(3,296)	2,517
Total comprehensive income attributable to:				
Parent company	2,712	3,765	(3,147)	2,391
Non-controlling interest	(36)	218	(149)	126
2,676	3,983	(3,296)	2,517	

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2022

(In thousands of Bahraini Dinars)

	Attributable to the shareholders of the parent company									
	Share capital	Treasury shares	Share premium	Statutory reserve	General reserve	Investment fair value reserve	Retained earnings	Total	Non-controlling Interest	Total Equity
2022 (reviewed)										
Balance as at 1 January	11,918	(1,868)	3,990	5,959	13,585	6,721	21,912	62,217	3,633	65,850
Profit for the period	-	-	-	-	-	-	5,643	5,643	282	5,925
Other comprehensive income for the period	-	-	-	-	-	(2,931)	-	(2,931)	(318)	(3,249)
Total comprehensive income for the period	-	-	-	-	-	(2,931)	5,643	2,712	(36)	2,676
Dividends declared for 2021	-	-	-	-	-	-	(3,378)	(3,378)	(175)	(3,553)
Transfer on reclassification of equity accounted investee	-	-	-	-	-	41	(41)	-	-	-
Treasury shares sold	-	1,868	-	-	-	-	686	2,554	-	2,554
Balance as at 30 June	11,918	-	3,990	5,959	13,585	3,831	24,822	64,105	3,422	67,527

	Attributable to the shareholders of the parent company									
	Share capital	Treasury shares	Share premium	Statutory reserve	General reserve	Investment fair value reserve	Retained earnings	Total	Non-controlling Interest	Total Equity
2021 (reviewed)										
Balance as at 1 January	11,918	(1,868)	3,990	5,959	13,585	5,596	18,071	57,251	3,218	60,469
Profit for the period	-	-	-	-	-	-	3,142	3,142	124	3,266
Other comprehensive income	-	-	-	-	-	623	-	623	94	717
Total comprehensive income	-	-	-	-	-	623	3,142	3,765	218	3,983
Dividends declared for 2020	-	-	-	-	-	-	(2,477)	(2,477)	-	(2,477)
Donations for 2020	-	-	-	-	-	-	(70)	(70)	-	(70)
Balance as at 30 June	11,918	(1,868)	3,990	5,959	13,585	6,219	18,666	58,469	3,436	61,905

The condensed consolidated interim financial information was approved by the Board of Directors on 27 July 2022 and signed on its behalf by:

Farooq Yusuf Almoayyed - *Chairman*

Abdulhussain Khalil Dawani - *Vice Chairman*

Sameer Al Wazzan - *Group Chief Executive Officer*

Reviewed by KPMG Fakhro



Bahrain National Insurance

CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

(In thousands of Bahraini Dinars)	30 June 2022 (reviewed)	31 December 2021 (audited)
ASSETS		
Cash and cash equivalents	4,528	2,837
Placements with banks	13,650	17,899
Insurance receivables	5,886	5,237
Other assets	1,430	1,113
Reinsurers' share of insurance technical reserves	14,276	14,526
Deferred acquisition costs	810	789
Financial investments	24,088	25,618
Intangible assets	248	213
Property and equipment	1,688	1,751
Statutory deposits	79	78
Total assets	66,683	70,061
LIABILITIES		
Insurance technical reserves	29,008	29,110
Insurance payables	6,938	7,177
Provision and other liabilities	4,145	4,498
Total liabilities	40,091	40,785
Net assets	26,592	29,276
EQUITY		
Share capital	6,500	6,500
Statutory reserve	3,250	3,250
General reserve	4,155	4,155
Investment fair value reserve	4,178	5,983
Retained earnings	8,509	9,388
Total equity	26,592	29,276

CONDENSED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2022

(In thousands of Bahraini Dinars)

	30 June 2022 (reviewed)	30 June 2021 (reviewed)
OPERATING ACTIVITIES		
Premiums and commissions received, net of acquisition costs	13,980	13,236
Payments to insurance and reinsurance companies	(7,751)	(5,395)
Claims paid to policyholders	(5,024)	(5,385)
Claims recovered from reinsurers and salvage recovered	1,609	2,029
Other operating expenses paid	(2,202)	(2,055)
Cash flows from operating activities	612	2,425
INVESTING ACTIVITIES		
Proceeds from sale and redemptions of financial investments	5,321	3,612
Payments for purchases of financial investments	(4,716)	(4,591)
Bank deposits with maturities of more than three months	(3,344)	(10,464)
Proceeds from redemption of placements with banks	7,592	10,709
Dividends and interest received	906	924
Purchase of equipment and intangible assets	(88)	(55)
Cash flows from investing activities	5,671	135
FINANCING ACTIVITIES		
Dividends paid	(4,510)	(3,780)
Payments of lease liabilities	(82)	(89)
Cash flows used in financing activities	(4,592)	(3,869)
Net change in cash and cash equivalents	1,691	(1,309)
Cash and cash equivalents as at 1 January	2,837	3,873
Cash and cash equivalents as at 30 June	4,528	2,564

CONDENSED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2022

(In thousands of Bahraini Dinars)

	30 June 2022 (reviewed)	30 June 2021 (reviewed)
Gross insurance premiums	13,193	12,830
Reinsurers' share of gross insurance premiums	(7,076)	(6,696)
Retained premiums	6,117	6,134
Net change in reserve for unearned premiums	(118)	(142)
Net premium earned	5,999	5,992
Gross claims paid	(4,948)	(4,509)
Claims recoveries	2,265	2,428
Outstanding claims adjustment - Gross	(70)	701
Outstanding claims adjustment - Recoveries	190	(1,526)
Net claims incurred	(2,563)	(2,906)
Gross underwriting profit	3,436	3,086
Net commission and fee income	472	262
Impairment losses on insurance receivables	(338)	(176)
General and administration expenses - underwriting	(1,716)	(1,590)
Other underwriting income	44	239
Net underwriting profit	1,898	1,821
Net investment income	1,876	1,248
Impairment losses on investments	(2)	(63)
General and administration expenses - non-underwriting	(272)	(272)
Net income from road assist services	122	143
Other income	9	9
Profit for the period	3,631	2,886

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2022

(In thousands of Bahraini dinars)

	30 June 2022 (reviewed)	30 June 2021 (reviewed)
Profit for the period	3,631	2,886
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss:		
Available-for-sale securities:		
- Change in fair value	(655)	710
- Transfer to profit or loss on impairment of securities	2	63
- Transfer to profit or loss on disposal of securities	(1,152)	(416)
Other comprehensive income	(1,805)	357
Total comprehensive income	1,826	3,243

CONDENSED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2022

(In thousands of Bahraini dinars)

	Share capital	Statutory reserve	General reserve	fair value reserve	Retained earnings	Total
2022 (reviewed)						
Balance at 1 January	6,500	3,250	4,155	5,983	9,388	29,276
Profit for the period	-	-	-	-	3,631	3,631
Other comprehensive income	-	-	-	(1,805)	-	(1,805)
Total comprehensive income	-	-	-	(1,805)	3,631	1,826
Dividends declared for 2021	-	-	-	-	(4,510)	(4,510)
Balance as at 30 June	6,500	3,250	4,155	4,178	8,509	26,592
2021 (reviewed)						
Balance at 1 January	6,500	3,250	4,155	5,188	7,582	26,675
Profit for the period	-	-	-	-	2,886	2,886
Other comprehensive income	-	-	-	357	-	357
Total comprehensive income	-	-	-	357	2,886	3,243
Dividends declared for 2020	-	-	-	-	(3,780)	(3,780)
Donations declared for 2020	-	-	-	-	(50)	(50)
Balance as at 30 June	6,500	3,250	4,155	5,545	6,638	26,088