

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 31 December 2023

(In thousands of Bahraini Dinars)

	31 December 2023	31 December 2022 (restated)	31 December 2022 (restated)
<b>ASSETS</b>			
Cash and cash equivalents	5,872	5,806	4,947
Financial investments	73,905	69,746	59,556
Insurance contract assets	-	124	1,081
Reinsurance contract assets	10,933	16,240	13,489
Equity accounted investees	11,570	11,090	19,825
Investment properties	2,092	2,235	2,397
Property and equipment	2,911	3,360	3,539
Other assets	3,736	2,885	2,496
<b>Total assets</b>	<b>111,019</b>	<b>111,486</b>	<b>107,330</b>
<b>LIABILITIES</b>			
Insurance contract liabilities	27,674	29,773	29,920
Reinsurance contract liabilities	3,906	6,355	4,933
Investment contract liabilities	1,737	1,487	1,553
Other provisions and liabilities	4,050	4,251	4,231
<b>Total liabilities</b>	<b>37,367</b>	<b>41,866</b>	<b>40,637</b>
<b>Net assets</b>	<b>73,652</b>	<b>69,620</b>	<b>66,693</b>
<b>EQUITY</b>			
Share capital	11,918	11,918	11,918
Treasury shares	-	-	(1,868)
Share premium	3,990	3,990	3,990
Statutory reserve	5,959	5,959	5,959
Other reserves	11,699	10,718	17,403
Retained earnings	36,484	33,512	25,585
<b>Equity attributable to shareholders of the Parent company</b>	<b>70,050</b>	<b>66,097</b>	<b>62,987</b>
Non-controlling interest	3,602	3,523	3,706
<b>Total equity</b>	<b>73,652</b>	<b>69,620</b>	<b>66,693</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS**

For the year ended 31 December 2023

(In thousands of Bahraini Dinars)

	2023	2022
<b>OPERATING ACTIVITIES</b>		
<b>Insurance operations</b>		
Premiums and service fees received, net of acquisition costs	47,776	42,508
Payments to insurance and reinsurance companies	(23,391)	(23,356)
Claims paid to policyholders	(26,435)	(21,816)
Claims recovered from reinsurers and insurance companies	13,724	11,740
<b>Cash flows from insurance operations</b>	<b>11,674</b>	<b>9,076</b>
<b>Investment operations</b>		
Dividends and interest received	2,873	1,952
Proceeds from sale and redemptions of financial investments	15,755	15,298
Payments for purchases of financial investments	(9,042)	(25,495)
Bank deposits with maturities of more than three months	(23,897)	(12,977)
Redemption proceeds from bank deposits	14,534	20,492
Dividends received from equity accounted investees	974	550
Loans paid	-	(12)
Loans recovered from an associate	-	75
Payment for investment properties	-	(4)
Rent received	288	338
<b>Cash flows from / (used in) investment operations</b>	<b>1,485</b>	<b>217</b>
Expenses paid	(8,391)	(7,077)
<b>Cash flows from operating activities</b>	<b>4,768</b>	<b>2,216</b>
<b>INVESTMENT ACTIVITIES</b>		
Purchase of equipment and intangible assets	(188)	(249)
<b>Cash flows used in investment activities</b>	<b>(188)</b>	<b>(249)</b>
<b>FINANCING ACTIVITIES</b>		
Dividends paid to shareholders	(4,171)	(3,379)
Dividends paid to non-controlling interest	(274)	(175)
Proceeds from sales of treasury shares	-	2,554
Payments of lease liabilities	(84)	(96)
<b>Cash flows used in financing activities</b>	<b>(4,529)</b>	<b>(1,096)</b>
<b>Net change in cash and cash equivalents</b>	<b>51</b>	<b>871</b>
Cash and cash equivalents at 1 January	5,833	4,962
<b>Cash and cash equivalents at 31 December</b>	<b>5,884</b>	<b>5,833</b>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

For the year ended 31 December 2023

(In thousands of Bahraini Dinars)

	2023	2022 (restated)
Insurance revenue	45,054	45,450
Insurance service expenses	(24,969)	(31,879)
Net expenses from reinsurance contracts	(13,666)	(7,570)
<b>Insurance service result</b>	<b>6,419</b>	<b>6,001</b>
Interest income	2,103	1,396
Other investment income	1,136	256
<b>Investment return</b>	<b>3,239</b>	<b>1,652</b>
Net finance expenses from insurance contracts	(834)	(297)
Net finance income from reinsurance contracts	592	171
<b>Net financial result</b>	<b>2,997</b>	<b>1,526</b>
Share of profit of equity accounted investees	1,416	1,143
Other income	707	618
Corporate expenses	(3,364)	(2,509)
Other expenses	(949)	(1,212)
Gain on reclassification of equity accounted investee to financial asset	-	5,872
<b>Profit for the year</b>	<b>7,226</b>	<b>11,439</b>
<b>Profit attributable to:</b>		
Parent company	6,927	11,243
Non-controlling interest	299	196
<b>Total profit</b>	<b>7,226</b>	<b>11,439</b>
<b>Basic and diluted earnings per share ( per 100 fils)</b>	<b>58 fils</b>	<b>94 fils</b>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the year ended 31 December 2023

(In thousands of Bahraini Dinars)

	2023	2022 (restated)
<b>Profit for the year</b>	<b>7,226</b>	<b>11,439</b>
<b>Other comprehensive income:</b>		
<b>Items that may be reclassified to profit or loss:</b>		
- Equity investments at FVOCI – net change in fair value	1,213	(7,267)
<b>Items that are or may be reclassified subsequently to profit or loss:</b>		
Equity-accounted investees		
Share of other comprehensive income	38	(231)
Net amount reclassified to profit or loss	-	(15)
<b>Other comprehensive income</b>	<b>1,251</b>	<b>(7,513)</b>
<b>Total comprehensive income</b>	<b>8,477</b>	<b>3,926</b>
<b>Total comprehensive income attributable to:</b>		
Parent company	8,124	3,934
Non-controlling interest	353	(8)
<b>Total</b>	<b>8,477</b>	<b>3,926</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the year ended 31 December 2023

(In thousands of Bahraini Dinars)

2023	Attributable to the shareholders of the Parent company							Non-controlling Interest	Total Equity	
	Share capital	Treasury shares	Share premium	Statutory reserve	General reserve	Fair value reserve	Retained earnings			
Balance at 1 January 2023	11,918	-	3,990	5,959	13,585	(2,867)	33,512	66,097	3,523	69,620
Profit for the year	-	-	-	-	-	-	6,927	6,927	299	7,226
Other comprehensive income for the year	-	-	-	-	-	1,197	-	1,197	54	1,251
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,197</b>	<b>6,927</b>	<b>6,927</b>	<b>353</b>	<b>8,477</b>
Transfer from fair value reserve on sale of equity investments	-	-	-	-	-	(216)	216	-	-	-
Dividends declared for 2022	-	-	-	-	-	-	(4,171)	(4,171)	(274)	(4,445)
<b>Balance as at 31 December 2023</b>	<b>11,918</b>	<b>-</b>	<b>3,990</b>	<b>5,959</b>	<b>13,585</b>	<b>(1,886)</b>	<b>36,484</b>	<b>70,050</b>	<b>3,602</b>	<b>73,652</b>

2022 (restated)	Attributable to the shareholders of the parent company							Non-controlling Interest	Total Equity	
	Share capital	Treasury shares	Share premium	Statutory reserve	General reserve	Fair value reserve	Retained earnings			
Balance as at 1 January, as previously reported	11,918	(1,868)	3,990	5,959	13,585	6,721	21,912	62,217	3,633	65,850
Adjustment on initial application of IFRS 17	-	-	-	-	-	-	902	902	62	964
Adjustment on initial application of IFRS 9	-	-	-	-	-	(2,903)	2,771	(132)	11	(121)
Restated balance at 1 January 2022	11,918	(1,868)	3,990	5,959	13,585	3,818	25,585	62,987	3,706	66,693
Profit for the year	-	-	-	-	-	-	11,243	11,243	196	11,439
Other comprehensive income for the year	-	-	-	-	-	(7,309)	-	(7,309)	(204)	(7,513)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,309)</b>	<b>11,243</b>	<b>3,934</b>	<b>(8)</b>	<b>3,926</b>
Transfer from fair value reserve on sale of equity investments	-	-	-	-	-	583	(583)	-	-	-
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
<b>Balance as at 31 December 2022</b>	<b>11,918</b>	<b>-</b>	<b>3,990</b>	<b>5,959</b>	<b>13,585</b>	<b>(2,867)</b>	<b>33,512</b>	<b>66,097</b>	<b>3,523</b>	<b>69,620</b>

The consolidated financial statements were approved by the Board of Directors on 25th of February 2024 and signed on its behalf by:

Farooq Yusuf Almoayyed - Chairman

Abdullah Khalil Dewani - Vice Chairman

Raed Abdulla Fakhri - Group Chief Executive

Audited by KPMG Fakhro



**Bahrain National Insurance**

**STATEMENT OF FINANCIAL POSITION**

As at 31 December 2023

(In thousands of Bahraini Dinars)

	31 December 2023	31 December 2022 (restated)	31 December 2022 (restated)
<b>ASSETS</b>			
Cash and cash equivalents	3,456	3,855	2,826
Financial investments	42,914	42,935	43,332
Insurance contract assets	-	124	1,081
Reinsurance contract assets	7,397	13,558	10,233
Property and equipment	1,487	1,639	1,751
Other assets	2,047	1,699	1,430
<b>Total assets</b>	<b>57,301</b>	<b>63,810</b>	<b>60,653</b>
<b>LIABILITIES</b>			
Insurance contract liabilities	18,611	23,658	23,332
Reinsurance contract liabilities	2,969	5,966	4,754
Other provisions and liabilities	2,605	2,749	2,756
<b>Total liabilities</b>	<b>24,185</b>	<b>32,373</b>	<b>30,842</b>
<b>Net assets</b>	<b>33,116</b>	<b>31,437</b>	<b>29,811</b>
<b>EQUITY</b>			
Share capital	6,500	6,500	6,500
Statutory reserve	3,250	3,250	3,250
General reserve	4,155	4,155	4,155
Fair value reserve	3,566	4,832	4,099
Retained earnings	15,645	12,700	11,807
<b>Total equity</b>	<b>33,116</b>	<b>31,437</b>	<b>29,811</b>

**STATEMENT OF CASH FLOWS**

For the year ended 31 December 2023

(In thousands of Bahraini Dinars)

	2023	2022
<b>OPERATING ACTIVITIES</b>		
Premiums received, net of acquisition costs	30,521	29,423
Payments to insurance and reinsurance companies	(16,246)	(15,974)
Claims paid to policyholders	(15,460)	(11,085)
Claims recovered from reinsurers and insurance companies	7,792	4,810
Expenses paid	(3,648)	(3,875)
<b>Cash flows from operating activities</b>	<b>2,959</b>	<b>3,299</b>
<b>INVESTMENT ACTIVITIES</b>		
Dividends and interest received	2,167	1,479
Proceeds from sale and redemption of securities	10,074	8,169
Payments for purchase of securities	(5,842)	(14,680)
Payments for purchase of property & equipment and intangible assets	(68)	(25)
Bank deposits with maturities of more than three months	(15,548)	(9,463)
Proceeds from redemption of bank deposits with maturities of more than three months	10,483	16,957
<b>Cash flows from investment activities</b>	<b>1,266</b>	<b>2,437</b>
<b>FINANCING ACTIVITIES</b>		
Dividend paid	(4,460)	(4,510)
Payments of lease liabilities	(177)	(188)
<b>Cash flows used in financing activities</b>	<b>(4,637)</b>	<b>(4,698)</b>
<b>Net change in cash and cash equivalents</b>	<b>(412)</b>	<b>1,038</b>
Cash and cash equivalents at 1 January	3,875	2,837
<b>Cash and cash equivalents at 31 December</b>	<b>3,463</b>	<b>3,875</b>

**STATEMENT OF PROFIT OR LOSS**

For the year ended 31 December 2023

(In thousands of Bahraini Dinars)

	2023	2022 (restated)
Insurance revenue	28,324	30,950
Insurance service expenses	(8,737)	(18,529)
Net expenses from reinsurance contracts	(13,603)	(6,606)
<b>Insurance service result</b>	<b>5,984</b>	<b>5,815</b>
Interest income	1,335	930
Other investment income	1,175	63
<b>Investment return</b>	<b>2,510</b>	<b>993</b>
Net finance expenses from insurance contracts	(714)	(289)
Net finance income from reinsurance contracts	474	95
<b>Net financial result</b>	<b>2,270</b>	<b>799</b>
Other income	497	459
Other expenses	(1,402)	(1,677)
<b>Profit for the year</b>	<b>7,349</b>	<b>5,396</b>

**STATEMENT OF COMPREHENSIVE INCOME**

For the year ended 31 December 2023

(In thousands of Bahraini dinars)

	2023	2022 (restated)
<b>Profit for the year</b>	<b>7,349</b>	<b>5,396</b>
<b>Other comprehensive income:</b>		
<b>Items that may be reclassified to profit or loss:</b>		
Equity investments at FVOCI – net change in fair value	(1,210)	740
<b>Other comprehensive income</b>	<b>(1,210)</b>	<b>740</b>
<b>Total comprehensive income</b>	<b>6,139</b>	<b>6,136</b>

**STATEMENT OF CHANGES IN EQUITY**

For the year ended 31 December 2023

(In thousands of Bahraini dinars)

2023	Share capital	Statutory reserve	General reserve	Investment fair value reserve	Retained earnings	Total