

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021
(In thousands of Bahraini Dinars)

	31 December 2021	31 December 2020
ASSETS		
Cash and cash equivalents	4,962	5,991
Placements with banks	21,919	12,962
Insurance receivables	7,896	7,914
Other assets	1,991	1,965
Reinsurers' share of insurance technical reserves	17,551	19,399
Deferred acquisition cost	979	814
Financial investments	37,743	35,967
Equity accounted investees	19,825	18,885
Investment properties	2,397	2,564
Intangible assets	348	271
Property and equipment	3,539	3,825
Statutory deposits	131	129
Total assets	119,281	110,686
LIABILITIES		
Insurance technical reserves	38,670	37,508
Insurance payables	8,821	6,608
Other provisions and liabilities	5,940	6,101
Total liabilities	53,431	50,217
Net assets	65,850	60,469
EQUITY		
Share capital	11,918	11,918
Treasury shares	(1,868)	(1,868)
Share premium	3,990	3,990
Statutory reserve	5,959	5,959
General reserve	13,585	13,585
Fair value reserve	6,721	5,596
Retained earnings	21,912	18,071
Equity attributable to shareholders of the Parent Company	62,217	57,251
Non-controlling interest	3,633	3,218
Total equity	65,850	60,469

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2021
(In thousands of Bahraini Dinars)

	2021	2020
OPERATING ACTIVITIES		
Insurance operations		
Premiums and service fees received, net of acquisition costs	40,714	36,941
Payments to insurance and reinsurance companies	(18,126)	(20,492)
Claims paid to policyholders	(21,284)	(22,868)
Claims recovered from reinsurers and insurance companies	11,725	13,891
Donations paid	(43)	(96)
Cash flows from insurance operations	12,986	7,376
Investment operations		
Dividends and interest received	1,686	1,641
Proceeds from sale and redemptions of financial investments	12,687	16,615
Payments for purchases of financial investments	(11,591)	(18,247)
Bank deposits with maturities of more than three months	(22,050)	(13,090)
Redemption proceeds from bank deposits	13,090	14,892
Dividends received from equity accounted investees	651	590
Payment for investment in equity accounted investee	(15)	-
Advance for investment in equity accounted investee	-	(77)
Loans paid	(75)	(60)
Payment for investment properties	(2)	(2)
Rent received	311	359
Cash flows (used in) / from investment operations	(5,308)	(2,621)
Expenses paid	(5,911)	(5,305)
Cash flows from operating activities	1,767	4,692
INVESTMENT ACTIVITIES		
Purchase of equipment and intangible assets	(162)	(154)
Cash flows used in investment activities	(162)	(154)
FINANCING ACTIVITIES		
Dividends paid to shareholders	(2,553)	(2,706)
Payments of lease liabilities	(81)	(95)
Cash flows used in financing activities	(2,634)	(2,801)
Net increase in cash and cash equivalents	(1,029)	1,737
Cash and cash equivalents at 1 January	5,991	4,254
Cash and cash equivalents at 31 December	4,962	5,991

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2021
(In thousands of Bahraini Dinars)

	2021	2020
Gross insurance premiums	39,864	36,700
Reinsurers' share of gross insurance premiums	(21,346)	(19,917)
Retained premiums	18,518	16,783
Net change in reserve for unearned premiums	(540)	(237)
Net premiums earned	17,978	16,546
Gross claims paid	(20,409)	(23,570)
Claims recoveries	12,110	12,830
Outstanding claims adjustment – gross	259	758
Outstanding claims adjustment – reinsurance	(2,193)	432
Net claims incurred	(10,233)	(9,550)
Gross underwriting profit	7,745	6,996
Actuarial adjustment on life assurance obligation	-	260
Net commission and fee income	511	569
Impairment losses on insurance receivables	(423)	(535)
General and administration expenses – underwriting	(4,238)	(4,033)
Other underwriting income	544	347
Net underwriting profit	4,139	3,604
Net investment income	3,337	2,606
Impairment losses on investment	(326)	(220)
Share of profit of equity accounted investees	1,485	1,022
Net income from road assist services	257	301
General and administration expenses – non-underwriting	(2,401)	(2,219)
Other income	188	120
Profit for the year	6,679	5,214
Profit attributable to:		
Parent company	6,388	4,937
Non-controlling interest	291	277
	6,679	5,214
Basic and diluted earnings per share (per 100 fils)	56.7 fils	43.8 fils

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021
(In thousands of Bahraini Dinars)

	2021	2020
Profit for the year	6,679	5,214
Other comprehensive income:		
Items that may be reclassified to profit or loss:		
Available-for-sale securities:		
- Change in fair value	2,389	1,854
- Transfer to statement of profit or loss on impairment of securities	190	220
- Transfer to statement of profit or loss on disposal of securities	(1,344)	(900)
Share of other comprehensive income of equity accounted investees	14	(67)
Other comprehensive income	1,249	1,107
Total comprehensive income	7,928	6,321
Total comprehensive income attributable to:		
Parent company	7,513	5,918
Non-controlling interest	415	403
	7,928	6,321

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2021
(In thousands of Bahraini Dinars)

2021	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	Total		
Balance 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 year	-	-	-	-	-	-	6,388	6,388	291	6,679
Other comprehensive income	-	-	-	-	-	1,125	-	1,125	124	1,249
Total comprehensive income	-	-	-	-	-	1,125	6,388	7,513	415	7,928
Dividends declared for 2020	-	-	-	-	-	-	(2,477)	(2,477)	-	(2,477)
Donations declared for 2020	-	-	-	-	-	-	(70)	(70)	-	(70)
Appropriations approved by shareholders	-	-	-	-	-	-	(2,547)	(2,547)	-	(2,547)
Balance at 31 December	11,918	(1,868)	3,990	5,959	13,585	6,721	21,912	62,217	3,633	65,850

The consolidated financial statements were approved by the Board of Directors on 23rd of February 2022 and signed on its behalf by:

Farooq Yusuf Almoayyed - Chairman

Abdullhussain Khalil Dewani - Vice Chairman

Sameer Al Wazzan - Group Chief Executive Officer

Audited by KPMG Fakhro



Bahrain National Insurance

STATEMENT OF FINANCIAL POSITION

As at 31 December 2021
(In thousands of Bahraini Dinars)

	2021	2020
ASSETS		
Cash and cash equivalents	2,837	3,873
Placements with banks	17,899	11,149
Insurance receivables	5,237	6,547
Reinsurers' share of insurance technical reserves	14,526	17,099
Deferred acquisition cost	789	638
Other assets	1,113	986
Financial investments	25,618	23,918
Intangible assets	213	146
Property and equipment	1,751	1,938
Statutory deposits	78	77
Total assets	70,061	66,371
LIABILITIES		
Insurance technical reserves	29,110	29,649
Insurance payables	7,177	5,697
Other provisions and liabilities	4,498	4,350
Total liabilities	40,785	39,696
Net assets	29,276	26,675
EQUITY		
Share capital	6,500	6,500
Statutory reserve	3,250	3,250
General reserve	4,155	4,155
Investment fair value reserve	5,983	5,188
Retained earnings	9,388	7,582
Total equity	29,276	26,675

STATEMENT OF CASH FLOWS

For the year ended 31 December 2021
(In thousands of Bahraini Dinars)

	2021	2020
OPERATING ACTIVITIES		
Premiums received, net of acquisition costs	28,703	26,753
Payments to insurance and reinsurance companies	(12,246)	(14,387)
Claims paid to policyholders	(10,258)	(15,316)
Claims recovered from reinsurers and insurance companies	5,517	8,428
Expenses paid	(3,195)	(3,030)
Donations paid	(25)	(39)
Cash flows from operating activities	8,496	2,409
INVESTMENT ACTIVITIES		
Dividends and interest received	1,461	1,555
Proceeds from sale and redemption of securities	7,471	10,961
Payments for purchase of securities	(7,630)	(11,134)
Payments for purchase of property & equipment and intangible assets	(128)	(103)
Bank deposits with maturities of more than three months	(17,977)	(11,226)
Proceeds from redemption of bank deposits with maturities of more than three months	11,226	11,728
Cash flows (used in) / from investment activities	(5,577)	1,781
FINANCING ACTIVITIES		
Dividend paid	(3,780)	(3,150)
Payments of lease liabilities	(175)	(189)
Cash flows used in financing activities	(3,955)	(3,339)
Net change in cash and cash equivalents	(1,036)	851
Cash and cash equivalents at 1 January	3,873	3,022
Cash and cash equivalents at 31 December	2,837	3,873

STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2021
(In thousands of Bahraini Dinars)

	2021	2020
Gross insurance premiums	27,000	26,514
Reinsurers' share of gross insurance premiums	(14,696)	(14,198)
Retained premiums	12,304	12,316
Net unearned premiums adjustment	(282)	82
Net earned premiums	12,022	12,398
Gross claims paid	(9,631)	(15,448)
Claims recoveries	5,130	7,538
Outstanding claims adjustment - Gross	1,427	395
Outstanding claims adjustment - Reinsurance	(2,891)	702
Net claims incurred	(5,965)	(6,813)
Gross underwriting profit	6,057	5,585
Net commission and fee income	646	669
Impairment losses on insurance receivables	(408)	(545)
General and administration expenses - underwriting	(3,141)	(2,937)
Other income	542	271
Net underwriting profit	3,696	3,043
Net investment income	2,476	1,954
Impairment losses on investments	(267)	(106)
Net income from road assist services	256	301
General and administration expenses - non-underwriting	(525)	(486)
Other income	-	5
Profit for the year	5,636	4,711

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021
(In thousands of Bahraini dinars)

	2021	2020
Profit for the year	5,636	4,711
Other comprehensive income:		
Items that may be reclassified to profit or loss:		
Available-for-sale securities:		
- Change in fair value	1,447	1,126
- Transfer to profit or loss on impairment of securities	131	106
- Transfer to profit or loss on disposal of securities	(783)	(571)
Total other comprehensive income	795	661
Total comprehensive income	6,431	5,372

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2021
(In thousands of Bahraini dinars)

2021	Investment						Retained earnings	Total
	Share capital	Statutory reserve	General reserve	Fair value reserve	Fair value reserve	Total		
Balance at 1 January	6,500	3,250	4,155	5,188	7,582	26,675	26,675	
Profit for the year	-	-	-	-	5,636	5,636	5,636	
Other comprehensive income	-	-	-	-	795	795	795	
Dividends declared for 2020	-	-	-	-	(3,780)	(3,780)	(3,780)	
Donations declared for 2020	-	-	-	-	(50)	(50)	(50)	
Balance at 31 December	6,500	3,250	4,155	5,983	9,388	29,276	29,276	
2020								
Balance at 1 January	6,500	3,250	4,155	4,527	6,041	24,473	24,473	
Profit for the year	-	-	-	-	4,711	4,711	4,711	
Other comprehensive income	-	-	-	-	661	661	661	
Dividends declared for 2019	-	-	-	-	(3,150)	(3,150)	(3,150)	
Donations declared for 2019	-	-	-	-	(20)	(20)	(20)	
Balance at 31 December	6,500	3,250	4,155	5,188	7,582	26,675	26,675	



Bahrain National Life Assurance