

MINERVA INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2016

	2016 €	2015 €
Realised gross premiums	11.348.085	11.042.380
(Increase) decrease in gross reserve of unearned premiums	<u>(401.179)</u>	<u>10.900</u>
Gross earned premiums	10.946.906	11.053.280
Reinsurance in realised gross premiums	(1.116.726)	(1.127.135)
Reinsurers' share in the increase / (decrease) of gross reserve of unearned premiums	<u>9.256</u>	<u>(19.864)</u>
Net earned premiums	9.839.706	9.906.281
Commissions and other income	676.185	645.330
Gain / (loss) on investments	<u>249.838</u>	<u>(359.626)</u>
Net income	<u>10.765.729</u>	<u>10.191.985</u>
Gross claims, benefits and variation in life branch reserve	(5.796.777)	(6.585.411)
Reinsurers' share	<u>(59.890)</u>	<u>350.983</u>
Net insurance claims and benefits	(5.856.667)	(6.234.428)
Acquisition costs	(3.035.451)	(2.582.473)
Management costs	(1.486.006)	(1.435.165)
Income / (cost) of provisions and write-off of doubtful claims	<u>32.096</u>	<u>(741.103)</u>
Expenses	<u>(10.346.028)</u>	<u>(10.993.169)</u>
Operating profit / (loss)	<u>419.701</u>	<u>(801.184)</u>
Net finance costs	<u>(136.851)</u>	<u>(174.536)</u>
Profit / (loss) before taxation	282.850	(975.720)
Taxation	<u>(151.088)</u>	<u>36.809</u>
Profit / (loss) for the year	<u>131.762</u>	<u>(938.911)</u>
Earnings / (loss) per share attributable to the Company's owners (cents)	<u>0.27</u>	<u>(1.20)</u>
Other comprehensive income		
Items not to be reclassified to profit or loss in subsequent periods		
Gain on property revaluation	-	106.624
Deferred tax from revaluation	<u>-</u>	<u>(13.328)</u>
Other comprehensive income for the year	<u>-</u>	<u>93.296</u>
Total income / (expenses) for the year attributable to the Company's owners	<u>131.762</u>	<u>(845.615)</u>

MINERVA INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2016

	Share capital €	Share Premium Reserve €	property revaluation reserve €	Difference from conversion of capital into euro €	Annuity reserve €	Total equity €
Balance as at 1 January 2016	13.330.532	4.317.354	3.330.156	67.448	(14.459.398)	6.586.092
Profit for the year	-	-	-	-	131.762	131.762
Balance as at 31 December 2016	<u>13.330.532</u>	<u>4.317.354</u>	<u>3.330.156</u>	<u>67.448</u>	<u>(14.327.636)</u>	<u>6.717.854</u>
Balance as at 1 January 2015	13.330.532	4.317.354	3.236.860	67.448	(13.474.011)	7.478.183
Loss for the year	-	-	-	-	(938.911)	(938.911)
Other comprehensive income						
Gain on property revaluation	-	-	106.624	-	-	106.624
Deferred tax on property revaluation	-	-	(13.328)	-	-	(13.328)
Other comprehensive income for the year	-	-	93.296	-	-	93.296
Special contribution for defence in deemed dividend distribution	-	-	-	-	(46.476)	(46.476)
Balance as at 31 December 2015	<u>13.330.532</u>	<u>4.317.354</u>	<u>3.330.156</u>	<u>67.448</u>	<u>(14.459.398)</u>	<u>6.586.092</u>

Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for Defence Law of the Republic, within two years after the end of the relevant tax year, will be deemed to have distributed this amount as dividends. Special contribution for defence at 17% will be payable on such deemed dividends to the extent that the shareholders (individuals and companies), at the end of the period of two years following the end of the relevant tax year, are Cyprus tax residents and are deemed to be domiciled in Cyprus. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

MINERVA INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2016

	2016 €	2015 €
Cash flow from operations		
Profit / (loss) for the year	131.762	(938.911)
Adjustments for:		
Taxation	151.088	(36.809)
Depreciation of property, plant and equipment	119.926	119.497
Amortisation of intangible assets	34.092	51.649
Loss on change in the fair value of financial assets at fair value through profit and loss	116.217	284.818
(Loss) / gain on the sale of financial assets at fair value through profit and loss	34.916	(66.737)
(Reversal of provisions) / Provisions for doubtful claims	(32.096)	741.103
Loss on revaluation of investment property	-	592.952
Interest payable	136.851	174.536
Interest receivable	(282.369)	(321.966)
Dividends receivable	(16.815)	(31.477)
Cash flow from operations before changes in working capital	393.572	568.655
Decrease in insurance and other claims	507.045	114.311
Decrease / (increase) in deferred acquisition costs	43.841	(383.615)
Decrease / (increase) in reinsurers' share in claims and technical reserves	366.705	(36.788)
Decrease in life branch reserve	(1.012.002)	(921.316)
Decrease in general branch insurance reserves	(1.359.552)	(1.277.487)
Decrease in insurance and other liabilities	(135.006)	(526.677)
Cash flow for operations	(1.195.397)	(2.462.917)
Interest paid	(136.851)	(174.536)
Dividends received	16.815	31.477
Tax paid	(12.990)	(42.869)
Net cash flow for operations	(1.328.423)	(2.648.845)
Cash flow from investing activities		
Payments for purchase of property, plant and equipment	(28.214)	(51.465)
Payments for purchase of intangible assets	(12.987)	(29.763)
Payments for purchase of investment property	(26.396)	(11.187)
Payments for purchase of financial assets at fair value through profit and loss and investments held to maturity	(125.666)	(2.433.076)
Proceeds from sale of financial assets at fair value through profit and loss	204.465	586.817
Interest received	282.369	321.966
Net cash flow from investing activities	(293.571)	(1.616.708)
Cash flow from financing activities		
Repayments of loans and finance leases	(217.930)	(201.285)
Net cash flow for financing activities	(217.930)	(201.285)
Net decrease in cash and cash equivalents	(1.252.782)	(4.466.838)
Cash and cash equivalents at beginning of year	9.810.832	14.277.670
Cash and cash equivalents at end of year	<u>8.558.050</u>	<u>9.810.832</u>
Cash and cash equivalents consist of:		
Cash in hand and at bank and term deposits	8.668.786	10.859.882
Bank overdrafts	(110.736)	(1.049.050)
	<u>8.558.050</u>	<u>9.810.832</u>

MINERVA INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2016

	2016 €	2015 €
Assets		
Property, plant and equipment	1,800,928	1,892,640
Intangible assets	98,883	119,988
Investment property	8,992,137	8,965,741
Investments held to maturity	2,206,430	2,084,216
Total non-current assets	13,098,378	13,062,585
Financial assets at fair value through profit and loss	637,434	989,580
Insurance and other claims	7,245,211	7,720,160
Deferred acquisition costs	1,464,252	1,508,093
Reinsurers' share in claims and technical reserves	1,198,800	1,565,505
Cash and cash equivalents	8,668,786	10,589,882
Total current assets	19,214,483	22,643,220
Total assets	32,312,861	35,705,805
Equity		
Share capital	13,330,532	13,330,532
Reserves	(6,612,678)	(6,744,440)
Total equity	6,717,854	6,586,092
Liabilities		
Life branch reserve	6,613,285	7,625,287
Borrowings	1,865,465	2,072,371
Deferred taxation	826,721	865,842
Total non-current liabilities	9,305,471	10,563,500
General branch insurance reserves	14,739,339	16,098,891
Insurance and other liabilities	1,045,517	1,180,523
Bank overdrafts	110,736	1,049,050
Current loan instalments	210,657	221,681
Tax due	183,287	6,068
Total current liabilities	16,289,536	18,556,213
Total liabilities	25,595,007	29,119,713
Total equity and liabilities	32,312,861	35,705,805