

# MINERVA INSURANCE COMPANY PUBLIC LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2017

|  | 2017<br>€    | 2016<br>€    |
|--|--------------|--------------|
| Realised gross premiums  | 11.816.291   | 11.348.085   |
| Increase in gross reserve of unearned premiums                                 | (322.336)    | (401.179)    |
| <b>Gross earned premiums</b>   | 11.493.955   | 10.946.906   |
| Reinsurance in realised gross premiums   | (1.151.009)  | (1.116.726)  |
| Reinsurers' share in the increase of gross reserve of unearned premiums        | 43.239       | 9.526        |
| <b>Net earned premiums</b>   | 10.386.185   | 9.839.706    |
| Commissions and other income   | 723.700      | 676.185      |
| Gain on investments  | 499.217      | 249.838      |
| <b>Net income</b>  | 11.609.102   | 10.765.729   |
| Gross claims, benefits and variation in life branch reserve                    | (6.881.244)  | (5.796.777)  |
| Reinsurers' share  | 257.457      | (59.890)     |
| <b>Net insurance claims and benefits</b>                                       | (6.623.787)  | (5.856.667)  |
| Acquisition costs  | (3.073.271)  | (3.035.451)  |
| Management costs   | (1.399.169)  | (1.486.006)  |
| Provisions and write-off of doubtful claims                                    | (500.512)    | 32.096       |
| <b>Expenses</b>  | (11.596.739) | (10.346.028) |
| <b>Operating profit</b>  | 12.363       | 419.701      |
| <b>Net finance costs</b>   | (86.791)     | (136.851)    |
| <b>Profit / (loss) before taxation</b>   | (74.428)     | 282.850      |
| Taxation   | (75.517)     | (151.088)    |
| <b>Profit / (loss) for the year</b>  | (149.945)    | 131.762      |
| <b>(Loss) / profit per share attributable to Company's owners (cents)</b>      | (0.19)       | 0.17         |
| <b>Other comprehensive income</b>  |              |              |
| <i>Amounts not to be classified in profit or loss in later periods</i>         |              |              |
| <i>Profit from revaluation of property</i>                                     | 129.866      | -            |
| <i>Deferred taxation from revaluation</i>                                      | (1.430)      | -            |
| <b>Other comprehensive income for the year</b>                                 | 128.436      | -            |
| <b>Total (expenses) / income for the year attributable to Company's owners</b> | (21.509)     | 131.762      |

## MINERVA INSURANCE COMPANY PUBLIC LIMITED

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2017

|   | Share<br>capital<br>€ | Share<br>Premium<br>Reserve<br>€ | Property<br>revaluation<br>reserve<br>€ | Difference from<br>conversion of<br>capital into<br>euro<br>€ | Annuity<br>reserve<br>€ | Total<br>equity<br>€ |
|---|-----------------------|----------------------------------|---|---|-------------------------|----------------------|
| Balance as at 1 January 2017            | 13.330.532            | 4.317.354                        | 3.330.156                               | 67.448  | (14.327.636)            | 6.717.854            |
| Loss for the year                       | -                     | -                                | -                                       | -   | (149.945)               | (149.945)            |
| Other comprehensive income              |                       |                                  |   |   |                         |                      |
| Gain on property revaluation            |                       |                                  | 129.866                                 |   |                         | 129.866              |
| Deferred tax on property revaluation    | -                     | -                                | (1.430)                                 | -   | -                       | (1.430)              |
| Other comprehensive income for the year | -                     | -                                | 128.436                                 | -   | -                       | 128.436              |
| <b>Balance as at 31 December 2017</b>   | 13.330.532            | 4.317.354                        | 3.458.592                               | 67.448  | (14.477.581)            | 6.696.345            |
| 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              |
| <b>Balance as at 31 December 2016</b>   | 13.330.532            | 4.317.354                        | 3.330.156                               | 67.448  | (14.327.636)            | 6.717.854            |

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 2017

|  | 2017<br>€        | 2016<br>€          |
|--|------------------|--------------------|
| <b>Cash flow from operations</b>   |                  |                    |
| Profit / (loss) for the year   | (149.945)        | 131.762            |
| Adjustments for:   |                  |                    |
| Taxation   | 75.517           | 151.088            |
| Depreciation of property, plant and equipment  | 93.974           | 119.926            |
| Amortisation of intangible assets  | 76.575           | 34.092             |
| Loss on change in the fair value of financial assets at fair value through profit and loss                       | 23.401           | 116.217            |
| (Loss) / gain on the sale of financial assets at fair value through profit and loss                              | (84.830)         | 34.916             |
| Provisions for doubtful claims   | 500.512          | (32.096)           |
| Profit on revaluation of investment property   | (56.603)         | -                  |
| Interest payable   | 86.791           | 136.851            |
| Interest receivable  | (248.500)        | (282.369)          |
| Dividends receivable   | (17.569)         | (16.815)           |
| <b>Cash flow from operations before changes in working capital</b>   | <b>299.323</b>   | <b>393.572</b>     |
| Decrease in insurance and other claims   | 272.072          | 507.045            |
| Decrease / (increase) in deferred acquisition costs  | (43.528)         | 43.841             |
| Decrease / (increase) in reinsurers' share in claims and technical reserves                                      | (16.603)         | 366.705            |
| Decrease in life branch reserve  | (657.533)        | (1.012.002)        |
| (Increase) / decrease in general branch insurance reserves   | 86.005           | (1.359.552)        |
| Decrease in insurance and other liabilities  | (26.470)         | (135.006)          |
| <b>Cash flow for operations</b>  | <b>(86.734)</b>  | <b>(1.195.397)</b> |
| Interest paid  | (86.791)         | (136.851)          |
| Dividends received   | 17.569           | 16.815             |
| Tax paid   | (196.124)        | (12.990)           |
| <b>Net cash flow for operations</b>  | <b>(352.080)</b> | <b>(1.328.423)</b> |
| <b>Cash flow from investing activities</b>   |                  |                    |
| Payments for purchase of property, plant and equipment   | (69.991)         | (28.214)           |
| Payments for purchase of intangible assets   | (157.832)        | (12.987)           |
| Payments for purchase of investment property   | -                | (26.396)           |
| Payments for purchase of financial assets at fair value through profit and loss and investments held to maturity | (142.664)        | (125.666)          |
| Proceeds from sale of financial assets at fair value through profit and loss                                     | 135.941          | 204.465            |
| Interest received  | 248.500          | 282.369            |
| <b>Net cash flow from investing activities</b>   | <b>13.954</b>    | <b>(293.571)</b>   |
| <b>Cash flow from financing activities</b>   |                  |                    |
| Repayments of loans  | (225.698)        | (217.930)          |
| <b>Net cash flow for financing activities</b>  | <b>(225.698)</b> | <b>(217.930)</b>   |
| <b>Net decrease in cash and cash equivalents</b>   | <b>(563.824)</b> | <b>(1.252.782)</b> |
| <b>Cash and cash equivalents at beginning of year</b>  | <b>8.558.050</b> | <b>9.810.832</b>   |
| <b>Cash and cash equivalents at end of year</b>  | <b>7.994.226</b> | <b>8.558.050</b>   |
| <b>Cash and cash equivalents consist of:</b>   |                  |                    |
| Cash in hand and at bank and term deposits   | 7.994.226        | 8.668.786          |
| Bank overdrafts  | -                | (110.736)          |
|  | <b>7.994.226</b> | <b>8.558.050</b>   |

# MINERVA INSURANCE COMPANY PUBLIC LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2017

|  | 2017<br>€         | 2016<br>€         |
|--|-------------------|-------------------|
| <b>Assets</b>  |                   |                   |
| Property, plant and equipment                          | 1,906,811         | 1,800,928         |
| Intangible assets                                      | 180,140           | 98,883            |
| Investment property                                    | 9,048,740         | 8,992,137         |
| Investments held to maturity                           | 2,206,430         | 2,206,430         |
| <b>Total non-current assets</b>                        | <b>13,342,121</b> | <b>13,098,378</b> |
| Financial assets at fair value through profit and loss | 705,586           | 637,434           |
| Insurance and other claims                             | 6,472,627         | 7,245,211         |
| Deferred acquisition costs                             | 1,507,780         | 1,464,252         |
| Reinsurers' share in claims and technical reserves     | 1,215,403         | 1,198,800         |
| Cash and cash equivalents                              | 7,994,226         | 8,668,786         |
| <b>Total current assets</b>                            | <b>17,895,622</b> | <b>19,214,483</b> |
| <b>Total assets</b>                                    | <b>31,237,743</b> | <b>32,312,861</b> |
| <b>Equity</b>  |                   |                   |
| Share capital  | 13,330,532        | 13,330,532        |
| Reserves   | (6,634,187)       | (6,612,678)       |
| <b>Total equity</b>                                    | <b>6,696,345</b>  | <b>6,717,854</b>  |
| <b>Liabilities</b>                                     |                   |                   |
| Life branch reserve                                    | 5,955,752         | 6,613,285         |
| Borrowings   | 1,620,650         | 1,865,465         |
| Deferred taxation                                      | 835,058           | 826,721           |
| <b>Total non-current liabilities</b>                   | <b>8,411,460</b>  | <b>9,305,471</b>  |
| General branch insurance reserves                      | 14,825,344        | 14,739,339        |
| Insurance and other liabilities                        | 1,019,047         | 1,045,517         |
| Bank overdrafts  | -                 | 110,736           |
| Current loan instalments                               | 229,774           | 210,657           |
| Tax due  | 55,773            | 183,287           |
| <b>Total current liabilities</b>                       | <b>16,129,938</b> | <b>16,289,536</b> |
| <b>Total liabilities</b>                               | <b>24,541,398</b> | <b>25,595,007</b> |
| <b>Total equity and liabilities</b>                    | <b>31,237,743</b> | <b>32,312,861</b> |