# Cultural solidarity pledge

## Bahrain institutions join global declaration of support for recovery efforts of Beirut's damaged heritage

**Arab Regional Center for World Heritage and Bahrain Authority for Culture and Antiquities among 27 public and private international bodies to help with preservation, protection of Lebanese heritage**

A scene of a damaged cultural building in Beirut

**TDT** | Manama

Bahrain has signed an international solidarity statement to recover the damaged cultural heritage in the Lebanese capital Beirut, it was announced yesterday.

In line with this, the Kingdom has pledged to assist in efforts of providing "cultural first aid and longer-term recovery interventions".

Bahrain, an icon of cultural diversity and richness, was represented by both the Arab Regional Center for World Heritage and the Bahrain Authority for Culture and Antiquities (BACA).

The Kingdom is among 27 public and private international institutions that is ready to help with the preservation and protection of the Lebanese heritage.

"We wish to express our solidarity with the Lebanese people for the tragedy that has struck the city of Beirut," the statement of solidarity with Lebanon read.

"We are saddened by these events and we send our condolences for the loss of lives and our shared concern for the scale of material destruction."

In regards to Lebanon's unique cultural heritage, the statement continued: "As members and practitioners of the heritage protection community, we have worked for decades alongside the Lebanese people to safeguard and preserve the nation's unique cultural heritage.

"We remain by your side to continue our collective work during these challenging times.

"Damaged libraries, museums, and historic buildings will require cultural first aid and longer-term recovery interventions. Their collections will need urgent protection and salvaging.

"We pledge to do all that we can to contribute to the complete recovery of the heritage that has been damaged in Beirut by this blast."

The bodies from around the world that signed the solidarity statement and pledged help include:

Arab Regional Centre for World Heritage (Bahrain); ArcHerNet (Germany); Bahrain Authority for Culture and Antiquities (Bahrain); BlueShield International; British Council Managed UK Cultural Protection Fund (UK); Cité de l'Architecture et du Patrimoine-Ecole de Chaillot (France); Department of Culture and Tourism-Abu Dhabi (UAE); EUROPA NOSTRA-The European Voice of Civil Society committed to Cultural Heritage; Fondation Nationale des Musées (Morocco); Global Heritage Fund (US); Honor Frost Foundation (UK); Institut du Monde Arabe (France); Institut Français du Proche Orient (France); Institut National du Patrimoine (France); International Alliance for the Protection of Heritage in Conflict Areas; International Centre for the Study of the Preservation and Restoration of Cultural Property; International Council of Museums; Islamic World Educational, Scientific and Cultural Organisation; Ministry of Culture of the Government of the Grand Duchy of Luxemburg; Musée des Civilisations de l'Europe et de la Méditerranée (France); Musée du Louvre (France); Musée National du Mali (Mali); National Museum of China (China); Prince Claus Fund for Culture and Development (Netherlands); Rempart (France); United Nations Educational, Scientific and Cultural Organisation; World Monuments Fund (US).

# Bahrain-France media cooperation discussed

The Information Minister with the French Ambassador

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Minister of Information Ali bin Mohammed Al Romaihi praised distinguished historical relations between Bahrain and France and their development at all levels.

The minister was speaking as he received yesterday French Ambassador Jerome Cauchard, with whom he reviewed ways of boosting bilateral cooperation and activating agreements, mainly in the media field, in light of the fruitful outcome of the recent visit of His Majesty King Hamad bin Isa Al Khalifa to France.

The French Ambassador thanked the Information Minister for his keenness on bolstering relations between the two friendly countries, stressing the keenness of the French government to promote media development in Bahrain and enhance cooperation in various fields.

# Sustainable energy chief inaugurates society facility

Officials during the inauguration

**TDT** | Manama

Sustainable Energy Authority (SEA) president Dr Abdulhussain bin Ali Mirza inaugurated the Bahrain Corporate Social Responsibility Society (BCSRS) facility in Al Eker, which aims to virtually train unemployed citizens in the area.

Dr Mirza praised the efforts of the (CSR) in supporting Bahraini youth in various areas and providing them with opportunities and training them for any vacancies in their work fields.

# 'Create Your Own Space Game' contest concludes

**TDT** | Manama

National Space Science Agency (NSSA) has concluded its "Create Your Own Space Game" competition from home, designated for Bahraini students aged between seven and 12.

Launched by NSSA in collaboration with Clever Play Education and Training, the competition aimed to encourage students to participate from home by creating a Mars exploration game using the very popular MIT Scratch programming language.

Forty Bahraini students took part in the contest and presented their creative games, showcasing their distinguished skills.

Students Adam Al Nasser, Badr Al Jabiri and Abdulrahman Ibrahim clinched the first three places, respectively, and were presented with awards, certificates and shields, while the remaining participants received electronic certificates.NSSA affirmed that it will continue dedicating its efforts to achieve its goals, and noted that a new competition will be launched soon.


## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2020 (REVIEWED)

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
**AS AT 30 JUNE 2020** (In thousands of U.S. Dollars)

| | 30 June 2020 (reviewed) | 31 December 2019 (audited) | 30 June 2019 (reviewed) |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and bank balances | **145,797** | 81,261 | 120,304 |
| Investments | **441,415** | 545,214 | 499,143 |
| Accrued income | **26,352** | 71,358 | 123,769 |
| Insurance receivables | **99,822** | 117,872 | 137,559 |
| Insurance deposits | **21,785** | 22,505 | 27,127 |
| Deferred policy acquisition costs | **9,296** | 17,915 | 26,353 |
| Reinsurers' share of technical provisions | **103,449** | 130,675 | 137,674 |
| Other assets | **24,259** | 30,329 | 31,814 |
| Investment property | **4,849** | - | - |
| Property and equipment | **11,791** | 18,712 | 18,929 |
| **TOTAL ASSETS** | **888,815** | 1,035,841 | 1,122,672 |
| **LIABILITIES AND EQUITY** | | | |
| **LIABILITIES** | | | |
| Technical provisions | **498,637** | 633,769 | 725,471 |
| Insurance payables | **89,955** | 90,726 | 85,641 |
| Borrowings | **7,000** | 7,000 | 7,000 |
| Other liabilities | **52,266** | 58,021 | 70,266 |
| **TOTAL LIABILITIES** | **647,858** | 789,516 | 888,378 |
| **EQUITY** | | | |
| **Attributable to shareholders of parent company** | | | |
| Share capital | **220,000** | 220,000 | 220,000 |
| Treasury stock | **(14,793)** | (14,793) | (14,793) |
| Reserves | **49,847** | 51,705 | 46,905 |
| Accumulated losses | **(31,522)** | (28,539) | (35,216) |
| **Non-controlling interests** | **223,532** | 228,373 | 216,896 |
| | **17,425** | 17,952 | 17,398 |
| **TOTAL EQUITY** | **240,957** | 246,325 | 234,294 |
| **TOTAL LIABILITIES AND EQUITY** | **888,815** | 1,035,841 | 1,122,672 |

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**
**FOR THE SIX MONTHS ENDED 30 JUNE 2020** (In thousands of U.S. Dollars)

| | For the financial year-to-date 30 June 2020 (reviewed) | For the financial year-to-date 30 June 2019 (reviewed) | For the year ended 31 December 2019 (audited) |
|---|---|---|---|
| Gross premiums written | **(12,618)** | 171,749 | 194,614 |
| Outward reinsurance premiums | **1,766** | (45,634) | (52,136) |
| Change in unearned premiums | **58,083** | (23,331) | 31,091 |
| **Net earned premiums** | **47,231** | 102,784 | 173,569 |
| Claims and related expenses | **(28,433)** | (68,209) | (107,794) |
| Policy acquisition costs | **(14,018)** | (27,608) | (49,849) |
| Investment income attributable to insurance funds | **(1,245)** | 11,932 | 17,683 |
| Operating expenses | **(4,341)** | (6,383) | (11,070) |
| **Underwriting result** | **(806)** | 12,516 | 22,539 |
| Investment income attributable to shareholders' funds | **(481)** | 5,398 | 8,612 |
| Operating expenses - non underwriting activities | **(3,527)** | (3,323) | (5,404) |
| Borrowing cost | **(90)** | (147) | (253) |
| Other income | **1,769** | 702 | 1,318 |
| Other expenses and provisions | **(487)** | (5,611) | (8,384) |
| **(Loss) profit for the period** | **(3,622)** | 9,535 | 18,428 |
| **Attributable to:** | | | |
| Non-controlling interests | **(542)** | 341 | 902 |
| Shareholders of parent company | **(3,080)** | 9,194 | 17,526 |
| | **(3,622)** | 9,535 | 18,428 |
| **(Losses) earnings per share attributable to shareholders (basic and diluted):** (US cents) | **(1.6)** | 4.6 | 8.9 |

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
**FOR THE SIX MONTHS ENDED 30 JUNE 2020** (In thousands of U.S. Dollars)

| | For the financial year-to-date 30 June 2020 (reviewed) | For the financial year-to-date 30 June 2019 (reviewed) | For the year ended 31 December 2019 (audited) |
|---|---|---|---|
| (Loss) profit for the period | **(3,622)** | 9,535 | 18,428 |
| **Other comprehensive income** | | | |
| **Items that will be reclassified to profit or loss:** | | | |
| Changes on remeasurement of available for sale investments | **(2,124)** | 12,422 | 16,630 |
| Transfers for recognition of gains on disposal of available for sale investments | **(145)** | (1,669) | (3,421) |
| Transfers for impairment loss recognised on available for sale investments | **523** | 632 | 1,314 |
| **Other comprehensive income for the period** | **(1,746)** | 11,385 | 14,523 |
| **Total comprehensive income for the period** | **(5,368)** | 20,920 | 32,951 |
| **Attributable to:** | | | |
| Non-controlling interests | **(527)** | 394 | 948 |
| Shareholders of parent company | **(4,841)** | 20,526 | 32,003 |
| | **(5,368)** | 20,920 | 32,951 |

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**FOR THE SIX MONTHS ENDED 30 JUNE 2020** (In thousands of U.S. Dollars)

| | Share capital | Treasury stock | Reserves | Accumulated losses | Non-controlling interests | Total equity (reviewed) |
|---|---|---|---|---|---|---|
| **Balances at 31 December 2019** | **220,000** | **(14,793)** | **51,705** | **(28,539)** | **17,952** | **246,325** |
| Net loss for the period | - | - | - | **(3,080)** | **(542)** | **(3,622)** |
| Changes on remeasurement of available for sale investments | - | - | **(2,134)** | - | **10** | **(2,124)** |
| Transfers for recognition of (gains) losses on disposal of available for sale investments | - | - | **(150)** | - | **5** | **(145)** |
| Transfers for impairment loss recognised on available for sale investments | - | - | **523** | - | - | **523** |
| **Total comprehensive income for the period** | - | - | **(1,761)** | **(3,080)** | **(527)** | **(5,368)** |
| Transfer of net depreciation on revalued property | - | - | **(97)** | **97** | - | - |
| **Balances at 30 June 2020** | **220,000** | **(14,793)** | **49,847** | **(31,522)** | **17,425** | **240,957** |
| Balances at 31 December 2018 | 220,000 | (14,793) | 35,670 | (44,507) | 28,504 | 224,874 |
| Net profit for the year | - | - | - | 17,526 | 902 | 18,428 |
| Changes on remeasurement of available for sale investments | - | - | 16,525 | - | 105 | 16,630 |
| Transfers for recognition of gains on disposal of available for sale investments | - | - | (3,269) | - | (152) | (3,421) |
| Transfers for impairment loss recognised on available for sale investments | - | - | 1,221 | - | 93 | 1,314 |
| Total comprehensive income for the year | - | - | 14,477 | 17,526 | 948 | 32,951 |
| Transfer of net depreciation on revalued property | - | - | (195) | 195 | - | - |
| Transfer to (from) non-distributable reserves | - | - | 1,753 | (1,753) | - | - |
| Subsidiary's capital reduction | - | - | - | - | (11,500) | (11,500) |
| Balances at 31 December 2019 | 220,000 | (14,793) | 51,705 | (28,539) | 17,952 | 246,325 |
| Balances at 31 December 2018 | 220,000 | (14,793) | 35,670 | (44,507) | 28,504 | 224,874 |
| Net profit for the period | - | - | - | 9,194 | 341 | 9,535 |
| Changes on remeasurement of available for sale investments | - | - | 12,322 | - | 100 | 12,422 |
| Transfers for recognition of gains on disposal of available for sale investments | - | - | (1,551) | - | (118) | (1,669) |
| Transfers for impairment loss recognised on available for sale investments | - | - | 561 | - | 71 | 632 |
| Total comprehensive income for the period | - | - | 11,332 | 9,194 | 394 | 20,920 |
| Transfer of net depreciation on revalued property | - | - | (97) | 97 | - | - |
| Subsidiary's capital reduction | - | - | - | - | (11,500) | (11,500) |
| Balances at 30 June 2019 | 220,000 | (14,793) | 46,905 | (35,216) | 17,398 | 234,294 |

**CONSOLIDATED STATEMENT OF CASH FLOWS**
**FOR THE SIX MONTHS ENDED 30 JUNE 2020** (In thousands of U.S. Dollars)

| | For the financial year-to-date 30 June 2020 (reviewed) | For the financial year-to-date 30 June 2019 (reviewed) | For the year ended 31 December 2019 (audited) |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Premiums received | **53,524** | 106,319 | 192,493 |
| Reinsurance premiums paid | **(5,408)** | (22,370) | (35,484) |
| Claims and acquisition costs paid | **(116,936)** | (104,461) | (238,096) |
| Reinsurance receipts in respect of claims | **36,257** | 21,013 | 63,440 |
| Investment income | **5,899** | 10,342 | 9,478 |
| Interest received | **952** | 1,582 | 3,271 |
| Dividends received | **57** | 814 | 1,044 |
| Operating expenses paid | **(6,198)** | (9,254) | (21,505) |
| Other income (expenses), net | **275** | (173) | 4,091 |
| Insurance deposits received (paid), net | **611** | 59 | 4,354 |
| Purchase of trading investments | **(667)** | (4,180) | (5,363) |
| Sale of trading investments | **20,308** | 13,269 | 15,698 |
| **Net cash (used in) provided by operating activities** | **(11,326)** | 12,960 | (6,579) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Maturity/sale of investments | **89,933** | 58,264 | 102,163 |
| Purchase of investments | **(24,165)** | (60,197) | (143,022) |
| Term deposits with bank | **(12,047)** | 1 | (8,339) |
| Interest received | **5,362** | 4,600 | 9,062 |
| Investment income | **169** | 296 | 1,662 |
| Collateralised cash deposits | **4,762** | 210 | 13,986 |
| Purchase of property and equipment | **(15)** | - | (2) |
| Purchase of intangible assets | - | (82) | (82) |
| **Net cash provided by (used in) investing activities** | **63,999** | 3,092 | (24,572) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Borrowing cost | **(99)** | (156) | (279) |
| Dividends paid | **(10)** | (27) | (51) |
| Subsidiary's capital reduction - minority interests | - | (11,500) | (11,500) |
| **Net cash used in financing activities** | **(109)** | (11,683) | (11,830) |
| **Net increase (decrease) in cash and cash equivalents** | **52,564** | 4,369 | (42,981) |
| Effect of exchange rate on cash and cash equivalents | **(75)** | 1 | (32) |
| Cash and cash equivalents, beginning of period | **66,895** | 109,908 | 109,908 |
| **Cash and cash equivalents, end of period** | **119,384** | 114,278 | 66,895 |
| Term deposits with bank | **26,413** | 6,026 | 14,366 |
| **Cash and bank balances, end of period** | **145,797** | 120,304 | 81,261 |

These condensed consolidated interim financial statements were approved by the Board of Directors on 11 August 2020 and signed on its behalf by:

**Saeed Mohammed AlBahhar** – Chairman
**Ahmed Saeed AlMahri** – Director
**Samuel Verghese** – Acting Chief Executive Officer

The above condensed consolidated interim financial statements have been extracted from the condensed consolidated interim financial statements reviewed by KPMG Fakhro.
The reviewed condensed consolidated interim financial statements are available on Arig's website www.arig.net

Arab Insurance Group (B.S.C.) - a reinsurance firm regulated by the Central Bank of Bahrain