

"AZRE REINSURANCE" OJSC
Consolidated Statement of Profit or Loss and Other Comprehensive Income

<i>In Azerbaijani Manats</i>	Note	2019	2018
Gross Premiums written	22	82,517,134	74,386,232
Premiums ceded	22	(12,819,890)	(15,790,003)
Premiums cancelled		(1,760,290)	(1,917,417)
Net premiums written		67,936,954	56,678,812
(Increase)/Decrease in reserve for unearned premiums, gross	22	(9,101,543)	(3,816,290)
Increase/(Decrease) in reinsurers' share of reserve for unearned premiums	22	587,048	3,083,139
Change in reserve for unearned premiums, net		(8,514,495)	(733,151)
Net premiums earned		59,422,459	55,945,661
Claims paid, gross	22	(15,835,617)	(23,176,813)
Claims recovered from reinsurers	22	604,981	1,582,526
Claims paid, net of reinsurers' share		(15,230,636)	(21,594,287)
Decrease in insurance loss reserves, gross	22	4,698,538	7,725,617
Decrease in reinsurers' share of insurance loss reserves	22	(1,020,042)	(248,631)
Change in loss reserve, net		3,678,496	7,476,986
Net claims incurred		(11,552,140)	(14,117,301)
Acquisition costs	23	(7,271,689)	(8,315,170)
Commission income		734,788	456,475
Operating expenses	24	(9,992,079)	(9,372,356)
Depreciation and amortisation	17, 18	(1,084,489)	(726,525)
Interest income on deposits with banks		455,748	806,544
Interest income on debt securities		6,539,387	6,115,625
Provision for impairment of insurance receivables	12	(478,772)	(509,641)
Provision for impairment of cash and cash equivalents	7	(23,253)	-
Gains less losses from trading Investments		666,737	-
Finance cost		(137,006)	-
Impairment loss	18	(527,718)	-
Foreign exchange translation loss, net		(35,260)	(164,739)
Other income net	25	62,217	5,356,083
Profit before taxation		36,778,948	35,474,656
Income tax expense	19	(7,361,320)	(6,996,643)
PROFIT FOR THE YEAR		29,417,628	28,478,013
Other comprehensive Income/ (loss):			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Available-for-sale investments:			
- Gains less losses arising during the year		62,298	-
Other comprehensive Income / (loss) for the year		62,298	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		29,479,926	28,478,013
Profit / (loss) is attributable to:			
- Owners of the Company		29,173,396	28,250,528
- Non-controlling interest		244,232	227,485
Profit / (loss) for the year		29,417,628	28,478,013
Total comprehensive Income / (loss) is attributable to:			
- Owners of the Company		29,229,464	28,250,528
- Non-controlling interest		250,462	227,485
Total comprehensive Income for the year		29,479,926	28,478,013

The notes set out on pages 5 to 47 form an integral part of these financial statements.