

Condensed Audited Financial Statements - Year Ended December 31, 2020

The Directors are pleased to present the condensed audited financial statements of the Group and the Company for the year ended December 31, 2020, as audited by KPMG.

(a) Basis of accounting

The condensed audited financial statements have been extracted from the audited financial statements for the year ended December 31, 2020 which have been prepared using the same accounting policies as set out in the audited financial statements for the year ended December 31, 2020.

(b) Operations

Gross premium income has decreased by 3% compared to last year, mainly because of a reduction in new business attributable to the economic slowdown in the context of the Covid-19 pandemic.

(c) Investments

Our investment fund closed higher over the quarter as both the local and international equity portfolios made strong gains. On the international side, equities were boosted by the victory of a Democrat at the White House which triggered hopes for an easing in international affairs, as well as the emergence of an effective COVID-19 vaccine. The local stock market followed its international counterpart higher as news of the COVID-19 vaccine led investors to anticipate a boost to economic activity.

On the fixed income front, despite the persistently high excess liquidity in the financial system and very low yields, our portfolio delivered satisfactory returns on the back of our active management.

The COVID-19 pandemic continues to pose a serious public health threat worldwide and, like other countries, the Mauritian economy has been severely impacted by weaker economic activity across major sectors. With many countries facing another wave of the virus, establishing the full social and economic impact of the COVID, as well as estimating how long it will take our economy to recover to pre-COVID level, is at the least a complicated exercise. However, the emergence of different COVID vaccines and mass vaccination campaigns worldwide should help to re-activate economic activity and social life. The Minister of Finance and Economic Development has announced in his 2021/2022 budget that as from 15th July 2021, Mauritius would gradually open up to vaccinated tourists subject to certain conditions.

For and on behalf of the Board of Directors
Swan Corporate Affairs Ltd
Company Secretary
June 29, 2021

1. Statements of Financial Position

	THE GROUP			THE COMPANY		
	Dec 31, 2020	Dec 31, 2019 Restated	Jan 1, 2019 Restated	Dec 31, 2020	Dec 31, 2019 Restated	Jan 1, 2019 Restated
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Assets						
Non-current assets						
Property and equipment	277,520	276,224	275,483	252,092	251,125	250,680
Investment properties	425,317	433,191	478,896	388,058	395,960	439,074
Investments in subsidiary companies	-	-	-	548,512	548,512	540,012
Investments in associated companies	25,669	39,519	36,945	4,364	4,364	614
Available-for-sale financial assets	23,129,816	24,697,373	21,777,454	23,107,337	24,667,954	21,749,213
Held-to-maturity financial assets	11,238,790	11,660,554	11,473,139	11,044,817	11,607,409	11,439,710
Loans and receivables	5,733,624	4,239,180	3,966,249	5,733,624	4,252,618	3,979,687
Other non-current assets	108,002	114,352	97,024	15,387	21,750	14,008
Total non-current assets	40,938,738	41,460,393	38,105,190	41,094,191	41,749,692	38,412,998
Current assets	7,495,652	6,738,170	5,243,370	7,014,945	6,185,124	4,802,673
Total assets	48,434,390	48,198,563	43,348,560	48,109,136	47,934,816	43,215,671
Equity and liabilities						
Capital and reserves						
Share capital	26,322	26,322	26,322	26,322	26,322	26,322
Reserves	1,568,300	1,204,533	973,192	1,525,182	1,253,277	1,071,052
Owners' interest	1,594,622	1,230,855	999,514	1,551,504	1,279,599	1,097,374
Non-controlling interests	221,593	201,146	190,331	-	-	-
Total equity	1,816,215	1,432,001	1,189,845	1,551,504	1,279,599	1,097,374
Life Assurance Fund	45,084,339	45,166,453	41,064,790	45,084,339	45,166,453	41,064,790
Other technical provisions	366,836	322,450	401,068	366,836	322,450	401,068
Total technical provisions	45,451,175	45,488,903	41,465,858	45,451,175	45,488,903	41,465,858
Non-current liabilities						
Retirement benefit obligations	160,050	98,234	76,831	144,297	85,508	74,000
Other non-current liabilities	61,308	65,511	54,076	58,773	61,860	54,076
Total non-current liabilities	221,358	163,745	130,907	203,070	147,368	128,076
Current liabilities	945,642	1,113,914	561,950	903,387	1,018,946	524,363
Total equity and liabilities	48,434,390	48,198,563	43,348,560	48,109,136	47,934,816	43,215,671

2. Statements of Profit or Loss and Other Comprehensive Income

	THE GROUP		THE COMPANY	
	Year Ended Dec 31, 2020	Year Ended Dec 31, 2019 Restated	Year Ended Dec 31, 2020	Year Ended Dec 31, 2019 Restated
	Rs'000	Rs'000	Rs'000	Rs'000
Gross earned premiums	4,718,991	4,859,658	4,718,991	4,859,658
Net earned premiums	4,531,615	4,687,182	4,531,615	4,687,182
Share of results of associated companies	(9,268)	5,747	-	-
Movement in Life Assurance Fund	(2,775,799)	(2,281,703)	(2,775,799)	(2,281,703)
Profit before taxation	561,118	455,282	428,258	338,578
Taxation	(3,650)	(35,770)	-	-
Profit for the year	557,468	419,512	428,258	338,578
Other comprehensive income for the year	(2,874,525)	1,788,327	(2,857,913)	1,792,027
Movement in Life Assurance Fund	2,857,913	(1,792,027)	2,857,913	(1,792,027)
Other comprehensive income for the year, net of tax	(16,612)	(3,700)	-	-
Total comprehensive income for the year	540,856	415,812	428,258	338,578
Profit for the year attributable to:				
Owners of the parent	517,691	391,911	428,258	338,578
Non-controlling interests	39,777	27,601	-	-
	557,468	419,512	428,258	338,578
Total comprehensive income for the year attributable to:				
Owners of the parent	502,804	387,694	428,258	338,578
Non-controlling interests	38,052	28,118	-	-
	540,856	415,812	428,258	338,578
Earnings per share (Rs/cts)	196.68	148.89	162.70	128.63

3. Statements of Changes in Equity

	Attributable to owners of the parent						
	Share Capital Rs'000	Retained Earnings Rs'000	Amalgamation Reserve Rs'000	Other Reserves Rs'000	Total owners' interest Rs'000	Non-Controlling Interests Rs'000	Total Equity Rs'000
THE GROUP							
Balance at January 1, 2020	26,322	1,162,074	61,214	(18,755)	1,230,855	201,146	1,432,001
Profit for the year	-	517,691	-	-	517,691	39,777	557,468
Other comprehensive income for the year	-	-	-	(14,887)	(14,887)	(1,725)	(16,612)
Other movement	-	-	-	17,316	17,316	-	17,316
Dividends	-	(156,353)	-	-	(156,353)	(17,605)	(173,958)
Balance at December 31, 2020	26,322	1,523,412	61,214	(16,326)	1,594,622	221,593	1,816,215
Balance at January 1, 2019	26,322	926,516	61,214	(14,538)	999,514	190,331	1,189,845
- As previously stated	-	-	-	-	-	-	-
- Prior year adjustments	-	-	-	-	-	-	-
Restated balance at January 1, 2019	26,322	926,516	61,214	(14,538)	999,514	190,331	1,189,845
Profit for the year	-	391,911	-	-	391,911	27,601	419,512
Other comprehensive income for the year	-	-	-	(4,217)	(4,217)	517	(3,700)
Dividends	-	(156,353)	-	-	(156,353)	(17,303)	(173,656)
Balance at December 31, 2019	26,322	1,162,074	61,214	(18,755)	1,230,855	201,146	1,432,001
THE COMPANY							
Balance at January 1, 2020	26,322	723,634	61,214	468,429	1,279,599	-	-
Profit for the year	-	428,258	-	-	428,258	-	-
Dividends	-	(156,353)	-	-	(156,353)	-	-
Balance at December 31, 2020	26,322	995,539	61,214	468,429	1,551,504	-	-
Balance at January 1, 2019	26,322	541,409	61,214	468,429	1,097,374	-	-
- As previously stated	-	-	-	-	-	-	-
- Prior year adjustments	-	-	-	-	-	-	-
Restated balance at January 1, 2019	26,322	541,409	61,214	468,429	1,097,374	-	-
Profit for the year	-	338,578	-	-	338,578	-	-
Dividends	-	(156,353)	-	-	(156,353)	-	-
Balance at December 31, 2019	26,322	723,634	61,214	468,429	1,279,599	-	-

4. Statements of Cash Flows

	THE GROUP		THE COMPANY	
	Year Ended Dec 31, 2020 Rs'000	Year Ended Dec 31, 2019 Restated Rs'000	Year Ended Dec 31, 2020 Rs'000	Year Ended Dec 31, 2019 Restated Rs'000
Net cash generated from operating activities	1,890,708	2,250,718	1,863,810	2,036,075
Net cash used in investing activities	(2,294,600)	(1,626,172)	(2,150,769)	(1,609,242)
Net cash used in financing activities	(194,944)	(3,245)	(158,981)	(2,328)
(Decrease)/Increase in cash and cash equivalents	(598,836)	621,301	(445,940)	424,505
Movement in cash and cash equivalents				
At January 1,	3,219,496	2,556,106	2,643,840	2,182,886
(Decrease)/Increase during the year	(598,836)	621,301	(445,940)	424,505
Effects of exchange rate changes	113,701	42,089	100,054	36,449
At December 31,	2,734,361	3,219,496	2,297,954	2,643,840

Copies of these condensed audited financial statements and the statement of officers' interests are available to the public free of charge from the Company Secretary, at the Company's registered office, Swan Centre, 10 Intendance Street Port Louis.

This communiqué is issued pursuant to DEM Rule 18 and published as per the Securities Act 2005. The Board of Directors of Swan Life Ltd accepts full responsibility for the accuracy of the information contained in this communiqué.

