

Condensed Audited Financial Statements - Year Ended December 31, 2021

The Directors are pleased to present the condensed audited financial statements of the Group and the Company for the year ended December 31, 2021, 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, 2021 which have been prepared using the same accounting policies as set out in the audited financial statements for the year ended December 31, 2021.

(b) Operations

In spite of the challenging conditions, both gross premium income and profit before income tax expense have increased by 9% compared to last year. However, as a result of the implementation of the new Alternative Minimum Tax applicable to life insurance business, profit after income tax expense has only seen a marginal increase of less than 1%.

(c) Investments

Our investment portfolio closed the year and the quarter with solid gains, as all asset classes delivered attractive returns. During the quarter, the local stock market was boosted by the confirmed exit of Mauritius from the FATF grey list, in addition to the earlier re-start of the economy and amid rising vaccination rates. Global equity indices were upbeat, led by developed markets, and were supported by economic resilience and robust corporate earnings.

On the fixed income side, our portfolio continued to deliver attractive returns as the international diversification strategy strengthened the performance.

For and on behalf of the Board of Directors
Swan Corporate Affairs Ltd
Company Secretary
March 31, 2022

1. Statements of Financial Position

	THE GROUP		THE COMPANY	
	Dec 31, 2021 Rs'000	Dec 31, 2020 Rs'000	Dec 31, 2021 Rs'000	Dec 31, 2020 Rs'000
Assets				
Non-current assets				
Property and equipment	259,156	277,520	236,645	252,092
Investment properties	422,105	425,317	381,457	388,058
Investments in subsidiary companies	-	-	548,512	548,512
Investments in associated companies	34,714	25,669	4,364	4,364
Available-for-sale financial assets	28,909,668	23,129,816	28,873,246	23,107,337
Held-to-maturity financial assets	15,120,668	11,238,790	14,664,371	11,044,817
Loans and receivables	5,456,710	5,733,624	5,456,710	5,733,624
Other non-current assets	95,223	108,002	11,777	15,387
Total non-current assets	50,298,244	40,938,738	50,177,082	41,094,191
Current assets	6,370,832	7,495,652	5,996,137	7,014,945
Total assets	56,669,076	48,434,390	56,173,219	48,109,136
Equity and liabilities				
Capital and reserves				
Share capital	26,322	26,322	26,322	26,322
Reserves	2,003,055	1,568,299	1,798,234	1,525,182
Owners' interest	2,029,377	1,594,621	1,824,556	1,551,504
Non-controlling interests	258,084	221,593	-	-
Total equity	2,287,461	1,816,214	1,824,556	1,551,504
Life Assurance Fund	52,790,703	45,084,339	52,790,703	45,084,339
Other technical provisions	351,611	366,836	351,611	366,836
Total technical provisions	53,142,314	45,451,175	53,142,314	45,451,175
Non-current liabilities				
Retirement benefit obligations	175,861	160,050	162,691	144,297
Other non-current liabilities	56,899	61,308	55,544	58,773
Total non-current liabilities	232,760	221,358	218,235	203,070
Current liabilities	1,006,541	945,643	988,114	903,387
Total equity and liabilities	56,669,076	48,434,390	56,173,219	48,109,136

2. Statements of Profit or Loss and Other Comprehensive Income

	THE GROUP		THE COMPANY	
	Year Ended Dec 31, 2021 Rs'000	Year Ended Dec 31, 2020 Rs'000	Year Ended Dec 31, 2021 Rs'000	Year Ended Dec 31, 2020 Rs'000
Gross premiums	5,123,401	4,718,991	5,123,401	4,718,991
Net earned premiums	4,956,811	4,531,615	4,956,811	4,531,615
Share of results of associated companies	742	(9,268)	-	-
Movement in Life Assurance Fund	(2,938,075)	(2,775,799)	(2,938,075)	(2,775,799)
Profit before Income tax expense	684,118	561,118	467,117	428,258
Income tax expense	(54,517)	(3,650)	(37,712)	-
Profit for the year	629,601	557,468	429,405	428,258
Other comprehensive income for the year	4,786,293	(2,874,525)	(4,768,289)	(2,857,913)
Movement in Life Assurance Fund	(4,768,289)	2,857,913	4,768,289	2,857,913
Other comprehensive income for the year, net of tax	18,004	(16,612)	-	-
Total comprehensive income for the year	647,605	540,856	429,405	428,258
Profit for the year attributable to:				
Owners of the parent	575,144	517,691	429,405	428,258
Non-controlling interests	54,457	39,777	-	-
Total comprehensive income for the year attributable to:	629,601	557,468	429,405	428,258
Owners of the parent	591,109	502,804	429,405	428,258
Non-controlling interests	56,496	38,052	-	-
Total comprehensive income for the year attributable to:	647,605	540,856	429,405	428,258
Earnings per share (Rs/cts)	218.50	196.68	163.13	162.70

3. Statements of Changes in Equity

	Attributable to owners of the parent						Total Equity Rs'000
	Share Capital Rs'000	Retained Earnings Rs'000	Amalgamation Reserve Rs'000	Other Reserves Rs'000	Owners' Interest Rs'000	Non-Controlling Interests Rs'000	
THE GROUP							
Balance at January 1, 2021	26,322	1,523,412	61,214	(16,327)	1,594,621	221,593	1,816,214
Profit for the year	-	575,144	-	-	575,144	54,457	629,601
Other comprehensive income for the year	-	-	-	15,965	15,965	2,039	18,004
Dividends	-	(156,353)	-	-	(156,353)	(20,005)	(176,358)
Balance at December 31, 2021	26,322	1,942,203	61,214	(362)	2,029,377	258,084	2,287,461
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	-	-	-	17,315	17,315	-	17,315
Dividends	-	(156,353)	-	-	(156,353)	(17,605)	(173,958)
Balance at December 31, 2020	26,322	1,523,412	61,214	(16,327)	1,594,621	221,593	1,816,214
THE COMPANY							
Balance at January 1, 2021	26,322	995,539	61,214	468,429	1,551,504	-	1,551,504
Profit for the year	-	429,405	-	-	429,405	-	429,405
Dividends	-	(156,353)	-	-	(156,353)	-	(156,353)
Balance at December 31, 2021	26,322	1,268,591	61,214	468,429	1,824,556	-	1,824,556
Balance at January 1, 2020	26,322	723,634	61,214	468,429	1,279,599	-	1,279,599
Profit for the year	-	428,258	-	-	428,258	-	428,258
Dividends	-	(156,353)	-	-	(156,353)	-	(156,353)
Balance at December 31, 2020	26,322	995,539	61,214	468,429	1,551,504	-	1,551,504

4. Statements of Cash Flows

	THE GROUP		THE COMPANY	
	Year Ended Dec 31, 2021 Rs'000	Year Ended Dec 31, 2020 Rs'000	Year Ended Dec 31, 2021 Rs'000	Year Ended Dec 31, 2020 Rs'000
Net cash generated from operating activities	2,371,358	1,890,708	2,276,166	1,863,810
Net cash used in investing activities	(2,483,675)	(2,294,600)	(2,261,927)	(2,150,769)
Net cash used in financing activities	(180,342)	(194,944)	(159,221)	(158,981)
Decrease in cash and cash equivalents	(292,659)	(598,836)	(144,982)	(445,940)
Movement in cash and cash equivalents				
At January 1,	2,734,361	3,219,496	2,297,954	2,643,840
Decrease during the year	(292,659)	(598,836)	(144,982)	(445,940)
Effects of exchange rate changes	107,840	113,701	101,200	100,054
At December 31,	2,549,542	2,734,361	2,254,172	2,297,954

This communiqué is issued pursuant to DEM Rule 18 and published as per the Securities Act 2005.

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. The Board of Directors of Swan Life Ltd accepts full responsibility for the accuracy of the information contained in this communiqué.





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