

SWAN FINANCIAL SOLUTIONS LTD

ANNUAL REPORT - YEAR ENDED

DECEMBER 31, 2023

ANNUAL REPORT - YEAR ENDED DECEMBER 31, 2023

Dear Shareholder,

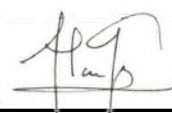
The Board of Directors is pleased to present the Annual Report of Swan Financial Solutions Ltd for the year ended December 31, 2023, contents of which are listed below:

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This report was approved by the Board of Directors on: 27th May 2024
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Louis Rivalland
Director



Alan Goder
Director

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PRINCIPAL ACTIVITY

The principal activity of the Company during the year is investment holding.

DIRECTORS

The Directors of the Company holding office as at December 31, 2023 and at the date of this report were:

Mr. J. M. Louis RIVALLAND

Mr. Ashley Coomer RUHEE

Mr. José Michel Alan GODER

DIRECTORS' SERVICE CONTRACTS

There was no service contract between the Company and any of its Directors that need to be disclosed under Section 221 of the Mauritian Companies Act 2001.

CONTRACTS OF SIGNIFICANCE

There was no contract of significance subsisting during the period to which the Company is a party and in which a director is or was materially interested, either directly or indirectly.

DIRECTORS' REMUNERATION AND BENEFITS

Remuneration and benefits received from the Company were as follows:	2023	2022
	Rs.	Rs.
Executive Directors:		
Mr. J. M. Louis RIVALLAND	10,000	10,000
Non-executive Director:		
Mr. Ashley Coomar RUHEE	10,000	10,000
Mr. José Michel Alan GODER	10,000	10,000
	30,000	30,000

DONATIONS

The Company did not make any donations during the year.

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AUDITOR'S FEES

The fees paid to the auditor, for audit and other services were:	2023	2022
	Rs.	Rs.
Audit fees paid to :		
BDO & Co	138,000	115,500
Fees paid for other services provided by:		
BDO & Co	-	-

The auditor did not receive any fees for other services.

The auditor, Messrs. BDO & Co, have expressed their willingness to continue in office and a resolution proposing their re-appointment will be submitted in the Annual Meeting to the Shareholder.

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
DECEMBER 31, 2023**

COMPLIANCE STATEMENT

Swan Financial Solutions Ltd (the ‘Company’) is a Public Interest Entity as defined by the Mauritian Financial Reporting Act 2004.

1. GOVERNANCE STRUCTURE

Swan Financial Solutions Ltd is headed by a unitary Board. The Board of Directors is ultimately responsible for leading and controlling the organisation and meeting all legal and regulatory requirements. The Board of Directors assumes responsibility for, inter alia, setting the strategic direction, overseeing the financial and investment affairs, corporate governance, risk management, internal control, and compliance issues. Additionally, the Board of Directors acts as the link between the Company and the Shareholders namely Swan Life Ltd and Rogers and Company Ltd, including all the stakeholders.

The Company does not have a board charter as it considers that the legislation is sufficiently clear as to the respective roles, responsibilities, and authorities of the Board of Directors. The Company has a Code of Ethics (“the Code”) which explains the Company’s and group’s policies on how we conduct business in Mauritius and beyond. Officers and members of the Board of Directors alike commit to understanding the Code and abiding by principles. The principles support full compliance with applicable laws. They also represent the practical ways that we put our values to work every day. Our corporate values defined as Passion, People and Performance, serve as the foundation for the Code. The Code also contains provisions on whistle blowing and provides, inter alia, for anonymous reporting of unethical conducts.

The day-to-day operations are entrusted to Management under the responsibility of the Group Chief Executive. Members of the Senior Management have clearly defined job descriptions. Senior Management report directly to the Group Chief Executive. Currently the Company has no employees.

The Code of ethics, main clauses of the constitution, and the profile of Directors of the Company can be accessed on SWAN website: www.swanforlife.com

2. STRUCTURE OF THE BOARD AND ITS COMMITTEES

Swan Financial Solutions Ltd is headed by a unitary Board which is collectively accountable and responsible for the long-term success of the Company. It comprises of two executive Directors and one non-executive director. Members of the Board have a diverse mix of skills, knowledge and experience and are distinguished by their professional ability, integrity, and independence of opinion. Collectively, the Board is well structured and of sufficient size to discharge its duties. The Company believes that the composition of the Board is adequate for the Company’s operations for the time being, having regard to the activities and size of the Company and it being part of a group where certain functions are established at group level. All Directors of the Company ordinarily reside in Mauritius.

The functions and responsibilities of the Chairperson and Group Chief Executive are separate.

Role of the Board

The board provides effective leadership and strategic guidance towards the achievement of the Company’s strategy within a framework of effective controls and risk management, alongside ensuring adherence of the Company to relevant legislations and policies.

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
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2. STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONT'D)**Role and Function of the Chairperson**

The Chairperson is responsible for providing overall leadership and governance to the board and for ensuring its effectiveness.

Role and Function of the Chief Executive Officer

The Chief Executive Officer is responsible for guiding the implementation of the Board Strategy and policy with respect to the Company's business. The Chief Executive Officer reports to the Board of Directors.

Role and Function of the Non-Executive and Independent Director

The non-executive and independent directors make a significant contribution to the functioning of the Board, thereby ensuring that no one individual or group dominates the decision-making process.

The Board is composed of the following Directors:

- Jean Michel Louis Rivalland (Executive Director)
- Jose Michel Alan Goder (Executive Director)
- Ashley Coomar Ruhee (Non-Executive Director)

Role and Function of the Company Secretary

Swan Corporate Affairs Ltd provides corporate secretarial services to Swan Financial Solutions Ltd. All Directors have access to the advice and services of the Company Secretary, delegated by Swan Corporate Affairs Ltd for the purposes of the Board's affairs and the business. The Company Secretary also provides guidance to the Board of Directors on their statutory responsibilities, ethics and good governance practices.

The Company Secretary also ensures that the Board and committees' procedures are followed, that the applicable rules and regulations for the conduct of the affairs of the Board are complied with and for all matters associated with the maintenance of the Board or otherwise required for its efficient operation.

The Company Secretary acts as a vital bridge between the Board and the executive management and ensures that the management, in a timely manner, provides the Board and its Committees with all information. The Company Secretary discharges his duties as per the statutory requirements.

Mr Jaiyansing Soobah is a director of Swan Corporate Affairs Ltd and represents the Company Secretary in all board meetings.

Born in 1974 and a resident of Mauritius, Jaiyansing is a Fellow of the Association of Chartered Certified Accountants and holds a Master in Business Administration and is Chartered Governance Professional. He started his career with De Chazal Du Mée (now BDO) where he spent 10 years in the audit and offshore departments. In 2003, he moved to the Financial Services Commission in the insurance supervision department.

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
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2. STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONT'D)

Role and Function of the Company Secretary (cont'd)

In 2009, he joined CIM Group, and was subsequently appointed as Senior Manager Compliance of the insurance and investment cluster. He joined SWAN with the merger of the insurance businesses of Swan.

And CIM in June 2012. He is currently Senior Manager – Group Company Secretary and Group Risk Officer and oversees the Governance, Risk and Compliance functions, as well as the internal audit function of the group.

He holds directorship positions in the subsidiaries of Swan Group. He is also a Non-Executive Director of The Stock Exchange of Mauritius Ltd and of Central Depository & Settlement Co. Ltd.

Directors' Profiles

Louis RIVALLAND

Louis Rivalland, born in 1971, holds a Bachelor's degree in Actuarial Science and Statistics, a Post Graduate Diploma in Strategy and Innovation from SAID Business School, University of Oxford and is a qualified Actuary from the Faculty and Institute of Actuaries.

He was part of the management team of Commercial Union in South Africa from 1994 to January 1997 and conducted several assignments for Commercial Union in Europe. From February 1997 to July 1999 he worked as Actuary and Consultant at Watson Wyatt Worldwide developing the investment function as well as enhancing the healthcare function.

In August 1999, he joined Swan as Consultant to Group Chief Executive. He was involved in the review and setting up of processes and systems for the pensions, investments and life insurance operations and was responsible for the actuarial and consultancy work for the pension schemes.

From January 2002 to December 2004, he acted as Executive Manager of The Anglo-Mauritius Assurance Society Limited, now Swan Life Ltd. In January 2005 he has been appointed Group Chief Operations Officer responsible for the operations of Swan Insurance Company Limited, now Swan General Ltd and The Anglo-Mauritius Assurance Society Limited, now Swan Life Ltd, and member of the Executive Management Committee of SWAN.

He has been the President of the Joint Economic Council, now Business Mauritius and of the Insurers' Association of Mauritius. He has played an active role in the development of risk management, investments, insurance and pensions in Mauritius having chaired or been part of various technical committees in these fields.

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
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2. STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONT'D)
List of other directorships:

Companies	Position
Aprica Investments Co Ltd	Executive Director
Manufacturers' Distributing Station Limited	Executive Director
Mauritius Investment Corporation Ltd	Independent Non-Executive Director
Processure Compagnie Limitée	Executive Director
Swan Corporate Affairs Ltd	Executive Director
Swan Digital Ltd	Executive Director
Swan Foundation	Executive Director
Swan General Ltd	Executive Director
Swan International Co Ltd	Executive Director
Swan Life Ltd	Executive Director
Swan Pensions Ltd	Executive Director
Swan Reinsurance PCC	Executive Director
Swan Special Risks Co Ltd	Executive Director
Swan Wealth International Ltd	Non-Executive Director
Swan Wealth Managers Ltd	Executive Director
Swan Lending Solutions Ltd	Non-Executive Director

Ashley Coomar RUHEE

Ashley Coomar Ruhee gathers more than 22 years of experience in business leadership, technology transformation, management consulting and financial services. Prior to joining the Rogers Group in 2007, he occupied senior positions at Capgemini Telecom Media and Entertainment – Central & Southern Europe in Paris and DCDM Consulting, a company managed by Accenture in Mauritius.

He holds a first degree in Mathematics and Physics from the Faculté des Sciences de Luminy, Marseilles and a M.Eng in Automatic Control, Electronics and Computer Engineering with specialization in Real Time Computing and Systems from the Institut National des Sciences Appliquées, Toulouse. He also completed Executive Education Programs at the London Business School, INSEAD in Singapore and IMD in Lausanne.

He is the Chief Executive Officer of Rogers Capital since 2017 and has been selected as one of the young African leaders of tomorrow by the Institut Choiseul in Paris. He is a member of the Young Presidents' Organisation (YPO) and is the Honorary Consul of the Republic of Lithuania in Mauritius.

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
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2. STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONT'D)
List of other directorships:

Company	Position
Rogers Capital Fin Ltd	Non Executive Director
Rogers And Company Limited	Non Executive Director
Rogers Capital Captive Insurance Management Services Ltd	Non Executive Director
Rogers Capital City Executives Ltd	Non Executive Director
Rogers Capital Corporate Services (Seychelles) Limited	Non Executive Director
Rogers Capital Corporate Services Limited	Non Executive Director
Rogers Capital Credit Ltd	Non Executive Director
Rogers Capital Finance Ltd	Non Executive Director
Rogers Capital Fund Services Ltd	Non Executive Director
Rogers Capital Investment Advisors Ltd	Non Executive Director
Rogers Capital Ltd	Executive Director
Rogers Capital Management Services Ltd	Non Executive Director
Rogers Capital Nominee 1 Ltd	Non Executive Director
Rogers Capital Nominee 2 Ltd	Non Executive Director
Rogers Capital Nominee Ltd	Non Executive Director
Rogers Capital Outsourcing Ltd	Non Executive Director
Rogers Capital Compliance Limited	Non Executive Director
Rogers Capital Specialist Services Ltd	Non Executive Director
Rogers Capital Tax Specialist Services Ltd	Non Executive Director
Rogers Capital Technology Services Ltd	Non Executive Director
Amethis Africa Finance Ltd	Non Executive Director
Amethis Retail	Non Executive Director
Tagada Ltd	Non Executive Director
AOIFE-RM Holdings Ltd	Non Executive Director

Jose Michel Alan GODER

Born in 1967, Alan worked in the Actuarial Department of The Anglo Mauritius Assurance Society Limited (now known as Swan Life Ltd) as Actuarial Clerk from February 1988 to April 1989. From May 1989 to December 1995, he was employed as Technical Supervisor in the Life Department of The Albatross Insurance Company Ltd.

From August 1996 to June 2001, he was Executive Director of Actuarial & Capital Management Services Ltd, now the AXYS GROUP.

From July 2001 to October 2004, he was the Chief Executive Officer of Pension Consultants & Administrators Limited (now known as Swan Pensions Ltd).

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
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2. STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONT'D)
List of other directorships: (cont'd)

He joined The Anglo Mauritius Assurance Society Limited (now known as Swan Life Ltd) as Senior Manager in November 2004 where he oversees the Claims and Fund Administration departments. He is also responsible for managing Swan Pensions Ltd. In August 2009, Alan was appointed to oversee the pension department of Swan Life Ltd.

Alan was also Senior Manager to the Group Systems & Processes department until December 2017. Since January 2018, he has served as Chief Operations Officer of Swan Life Ltd. His key areas of specialisation are pensions administration and consulting.

Companies	Position
Swan Digital Ltd	Executive Director
Swan Pensions Rwanda (SPR) Ltd	Non-Executive Director
Processure Cie Ltée	Non-Executive Director
Swan Pensions Ltd	Executive Director

Attendance at board meetings

During the year, the Company held one board meeting to which all directors attended.

Name of Directors	Board Meeting held on 05.05.2023
Jean Michel Louis Rivalland (Chairperson)	√
Ashley Coomar Ruhee	√
Jose Michel Alan Goder	√

Board Committees

In order to facilitate efficient decision-making, the Board has delegated some of its powers to two committees namely the Audit and Risks Committee ("ARC") and the Corporate Governance Committee ("CGC") which also acts as the Remuneration and Nomination Committee. These Committees operate within defined terms of reference which are available for consultation on Swan's website: www.swanforlife.com

Audit and Risks Committee

The Audit & Risks Committee ("ARC") is established at Group level. The Committee consists of four Non-Executive Directors three of whom are Independent including the Chairperson.

Members of the Committee have ample financial awareness. Members of the senior management, the external auditors and the internal auditors regularly attend meetings of the Group Audit & Risks Committee, as and when required. The Group Audit Committee meets regularly with the External Auditor (including once at the planning stage before the audit and once after the audit at the reporting stage). The Group Audit Committee has not met external auditor without management presence.

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
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2. STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONT'D)
Audit and Risks Committee (cont'd)

The current members are:

Mr. Arif Currimjee (Independent Non-Executive Director)

Mr. Henri Harel (Non-executive Director)

Mr. Peroomal Gopallen Moorooogen (Chairperson) (Independent Non-Executive Director)

Ms Grace Sarah Leung Shing (Independent Non-Executive Director)

The Committee meets at least four times a year. The Group Chief Executive attends the committee meetings unless a conflict of interest is likely to arise.

During the year under review, five ARC meetings were held at the level of the group and the attendance of the directors was as follows:

Name of Committee Members	Number of meetings attended
Arif Currimjee	3
Gopallen Moorooogen	4
Henri Harel	5
Grace Sarah Leung Shing	4

Members of the Senior Management, the External Auditors and the Internal Auditors regularly attend meetings of the Audit and Risks Committee.

The Committee may secure the attendance of external professional advisers at its meetings in order to perform its duties.

The primary function of the Audit & Risks Committee in relation to audit is to assist the Board of Directors in discharging its oversight responsibilities with respect to:

- (a) the safeguarding of assets;
- (b) the systems of internal controls regarding finance, accounting standards, legal compliance and ethical behaviour;
- (c) the auditing, accounting and financial reporting processes generally;
- (d) the financial statements and other financial information provided by the Group to its shareholders, the public and others;
- (e) compliance with legal and regulatory requirements; and
- (f) the performance of the Group's Internal Auditors and External Auditors.

In relation to risks, the Committee's responsibilities are, inter alia, to:

- (a) review and assess the integrity of the risk control systems and ensuring that risk policies and strategies are effectively managed;
- (b) set out the nature, role, responsibility and authority of the risk management function and outlining the scope of risk management work;
- (c) keep abreast of external developments relating to the practice of corporate accountability;
- (d) review and provide an independent and objective oversight on reports submitted by management on corporate accountability and specifically how associated risks are being mitigated.

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
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2. STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONT'D)

Audit and Risks Committee (cont'd)

The Committee is satisfied that it has discharged its responsibilities for the year in compliance with its terms of reference.

Corporate Governance Committee

The Corporate Governance Committee is established at Group level.

The Committee consisted of four Non-Executive Directors, three of whom are Independent.

Mr. Arif Currimjee (*Independent Non-Executive Director*)

Mr. Nicolas Maigrot (Chairperson) (*Non-Executive Director*)

Mr. Peroomal Gopallen Moorooogen (*Independent Non-Executive Director*)

Ms Grace Sarah Leung Shing (*Independent Non-Executive Director*)

The Group Chief Executive is in attendance of the Committee meetings.

The Corporate Governance Committee's terms of reference (which comprise areas covered by a Nomination and Remuneration Committee) include but are not limited to:

- (a) determining, agreeing and developing the general policy on corporate governance in accordance with the Code of Corporate Governance, legal compliance and ethical policies;
- (b) assisting the Board on establishing a formal and transparent procedure for developing a remuneration policy for executive and senior management;
- (c) putting in place plans for succession, in particular the Chairperson and the Group Chief Executive;
- (d) making recommendations to the Board on all new Board appointments; and
- (e) determining the level of emoluments of executive, non-executive, independent non-executive directors, and Board Committee members.

The Committee is authorised to seek any information it requires from any employee of the Group in order to perform its duties and shall set the appropriate procedures accordingly. The Committee is also authorised to obtain, at the Group's expense, such outside legal or other independent professional advice as it considers necessary to perform its duties.

During the year under review, one CGC meeting was held at the level of the group where every director attended the meeting.:

Name of Committee Members	Number of meetings attended
Arif Currimjee	1
Gopallen Moorooogen	1
Nicolas Maigrot	1
Grace Sarah Leung Shing	1

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
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3. DIRECTOR APPOINTMENT PROCEDURES

Appointment of new directors is subject to a pre-determined process. Potential candidates are identified by the Corporate Governance Committee. The selection criteria used to assess prospective candidates relates to their specific skills, business acumen, industry knowledge, experience, and expertise.

The Corporate Governance Committee also considers gender diversity, time commitment and independence of the candidates in their assessment. The Corporate Governance Committee then recommend to the Board of Directors and/or shareholders (as relevant).

Board Induction

Upon joining the Board, all new directors benefit from an induction programme aimed at deepening their understanding of the business, environment, and markets in which the Company operates. As part of the induction programme, they receive an induction pack from the Company Secretary which contains essential information, which covers inter alia, background information on the Company and the group, the vision, mission and values of the Company as well as the regulatory and compliance landscape, products and services, governance structure. They meet the Company executives and have briefing sessions with the Group Chief Executive and Group Company Secretary.

The Constitution of the Company does not provide for annual re-election of directors.

Professional Development and Training

Directors are encouraged to keep themselves updated with industry practices, company's business, market trends, practices, and standard. The Board regularly assess the development needs of its directors and the board as a whole, it facilitates attendance to appropriate training programs so that Directors can continuously update their skills and knowledge. During the year under review, the Directors attended to training on Anti-Money Laundering and Combatting Financing of Terrorism.

Succession Planning

Succession planning of key officeholders has been delegated by the Board to the Group Chief Executive.

A brief write-up of directors and the Company Secretary, details of the nomination & appointment process and summary of constitution can be accessed on SWAN website: swanforlife.com.

4. DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE

The Directors are aware of their legal duties which emanates mainly from the Mauritian Companies Act 2001. During the discharge of their duties, they are entitled to seek independent professional advice at the Company's expense and have access to the records of the Company. Directors are also entitled to have access, at all reasonable times, to all relevant information and to the Management, if useful to perform their duties.

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
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4. DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE (CONT'D)

Moreover, the Company has a Code which is applicable to employees and Directors. Monitoring day -to-day compliance with the Code rest with Senior Management. Important issues, if any, as escalated to the Board of Directors. The Code explains SWAN's policies for how business is conducted in Mauritius and beyond. The principles of the Code support full compliance with applicable laws. They also represent the practical ways that SWAN put its values work every day. Our corporate values defined as Passion, People and Performance, serve as the foundation for the Code. Our values guide our actions in conducting business in a socially responsible and ethical manner. Directors are expected to:

- a) act in good faith and in the best interest of the organisation;
- b) carry out their duties diligently, in an honest manner and with reasonable competence;
- c) observe the highest degree of confidentiality;
- d) avoid situations of conflict of interest, and where such situations arise, disclose same and adhere to all procedures for dealing with it;
- e) consistently attend board meetings and devote sufficient time to the organisation's business;
- f) deal with shares of the Company in strict compliance of all relevant laws;
- g) abstain from taking improper advantage of their position for personal gain; and
- h) abide by all directors' obligations imposed by all laws.

Board Evaluation

The board recognises that a continuous and constructive critical evaluation of their performance is powerful feedback for improving board effectiveness, maximise strengths and highlighting areas for further development. The Board carried out its last evaluation in year 2021.

Remuneration of Directors

The remuneration policy is considered at Group Level and duties are delegated to the Group Human Resource (HR) management team.

The Remuneration policy has the following aims:

- To support the delivery of the Group's strategy, whilst ensuring adherence to the SWAN's risk appetite;
- To ensure remuneration is competitive for our markets to enable SWAN to attract and retain talent;
- To ensure that pay levels are internally consistent and externally competitive;
- To reward employees according to their market value, performance and contribution;
- To ensure that the remuneration package promotes a high-performance culture and is affordable;
- To ensure fair outcomes for our human resources, shareholders, and customers.

Non-executive directors have not received any remuneration in the form of share options or bonuses associated with the Company's performance. Executive and non-executive directors receive a fixed director fee. The fees paid to the Directors of the Company are as follows:

Directors	Designation	Fixed portion
Louis Rivalland	Executive Director	Rs10,000
Jose Michel Alan Goder	Executive Director	Rs 10,000
Ashley Coomar Ruhee	Non-Executive Director	Rs 10,000

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
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4. DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE (CONT'D)**Directors' Interests, Dealings in Securities and Related Party Transaction**

In accordance with the Mauritian Companies Act 2001, the Company Secretary maintains an interest register at group level which is available to the shareholders upon written request. As soon as a Director/Officer becomes aware that he is interested in a transaction, or that his holdings or that of his associates have changed, the interest should be reported to the Company Secretary in writing.

The register of Directors' and Officers' Interests is updated with every transaction notified by the Directors/Officers and their associates. All new Directors/Officers are required to notify in writing to the Company Secretary their holdings in the Company's shares. According to the Company's Constitution, a Director is not required to hold shares in the Company. Related party transactions have been conducted in strict compliance with applicable legislations and the code of ethics. Please refer to Note 16 of the Financial Statements.

Conflict of Interest

Conflicts of interest are disclosed by the Directors as soon as they become aware they are interested in a transaction. All interests, as disclosed by the Directors are recorded. Conflicts of interest and related party transactions have been conducted in strict compliance with applicable legislations and the code of ethics. All related party transactions disclosures, as are legally required to be disclosed, are made in the annual report. The Company does not have any conflict of interest and related party policies as the Board considers that these are adequately covered under current laws.

Information, information technology and information security governance

The Board of Directors is responsible for information governance. At Board level, the Chairperson, the Group Chief Executive, and the Company Secretary ensure that Directors receive adequate, timely and accurate information to be able to discharge their duties. Directors are under obligations to keep all information confidential. Moreover, the Company lays due importance on the confidentiality, availability and protection of information backed by an adapted management information system. For fulfilling its obligations, the Board of Directors is supported by the Audit and Risks Committee and all the monitoring and evaluation of significant expenditure on Information Technology is taken by the Board.

Day-to-day IT governance and security issues are delegated to Senior Management of SWAN. IT expenses are monitored through the budgeting process. The Company has in place a number of IT policies, the purposes of which are to:

- a) To clarify the requirements, prohibitions, and procedures applicable to the use of the Company's computing and network resources;
- b) Provide guidelines to encourage responsible behaviour and good management practice;
- c) Ensure that IT facilities and services provided by the Company are used legally, securely, effectively and in a spirit of co-operation and trust.

The policies cover a range of aspects, including physical security, users' access & passwords, computer viruses, installation & modifications of the IT systems, emails, internet, copyrights & license agreements, smart devices, confidentiality, and remote access.

The Company has published a brief of its IT policies on its website: www.swanforlife.com

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
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5. RISK GOVERNANCE AND INTERNAL CONTROL

The Board has ultimate responsibility for the Company's risk management and internal control and remains ultimately responsible for:

- a) Setting up a risk management framework
- b) Overseeing the implementation and subsequent monitoring
- c) Determining the risk culture
- d) Providing management with leadership and guidance
- e) Ensuring that any person responsible for risk management has the appropriate skill, knowledge, independence and authority
- f) Defining the roles and responsibilities of management

The Group Audit & Risks Committee is mandated by the Board to oversee all risk management and internal control issues. The task of implementing a robust system of risk management has been delegated to Group Senior Management and the Risk Officer. The Senior Management assist the Board of Directors in implementing, operating, and monitoring the internal control systems which manage the risk of failure to achieve business objectives and provide reasonable but not absolute assurance against material misstatements or loss.

A risk identification process was conducted as part of its parent company's process of risk management, and a risk register for the management of risks was established. The key risks are compliance risk, regulatory/legal risk and data loss risk.

Internal Control

The Board is responsible for the system of internal controls and has set appropriate policies to provide reasonable assurance that the control objectives are attained. The system of internal control has been designed to safeguard the assets of the Company from unauthorised use. The Company maintains proper records to ensure effective operation of its business and compliance with laws and regulations. Management is directly responsible for implementing the strategies and policies adopted by the Board, and for managing all of the Company's activities, including the operation of the internal control system.

The system of internal controls is designed to provide assurance against material misstatement or loss, and to manage risks of failure in operational systems. Directors derive assurance that the risk management processes are in place and effective through internal audits.

Key areas of effective internal controls are as follows:

Strategic Risk

A clear organisation structure, including the delegation of appropriate responsibilities to the Board committees, the Group Chief Executive, senior management and the heads of the operating units.

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
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5. RISK GOVERNANCE AND INTERNAL CONTROL (CONT'D)

Internal Control (cont'd)

Operational Risk

The effectiveness of internal controls is assessed by considering the recommendations of the Audit & Risks Committee, reports of the internal auditors, statutory actuary, the external auditors and from the regulator.

There is an ongoing effort to review, reassess and document the process and procedures for each operating unit.

Financial Risk

Management has put in place appropriate financial and operational controls by way of segregation of duties and financial/monetary limits.

A comprehensive management information and accounting system is in place to provide reliable financial and operational performance data.

Compliance Risk

A compliance function has been put in place under the leadership of the Money Laundering Reporting Officer and clear compliance procedures have been established to ensure compliance with all applicable laws, rules, regulations and codes.

Internal control covers all material functions of the Company. The Board, through the Group Audit & Risks Committee and Senior Management of SWAN, is regularly apprised of the assessment of internal control. Deficiencies, if any, are promptly considered by Management and action plans devised to address all such deficiencies. Internal and external auditors on an adhoc basis report to the Board of Directors.

6. REPORTING WITH INTEGRITY

The Board is responsible for the preparation of the annual report and accounts that fairly present the state of affairs of the organisation and the results of its operations and that comply with International Financial Reporting Standards (IFRS), International Accounting Standards ('IAS') and the Mauritian Companies Act 2001. Likewise, the Board has the responsibility for selecting appropriate accounting policies based on reasonable and prudent judgements. The annual report comprises, inter alia, an overview/structure and history of the Company and the financial statements.

The Board considers that the annual report and accounts, taken as a whole, are fair, balanced, and understandable and provide the information necessary for shareholder and other key stakeholders to assess the Company's position, performance and outlook.

The Annual Report of the Company for the financial year 2023 will be published on the website of SWAN.

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
DECEMBER 31, 2023**

6. REPORTING WITH INTEGRITY (CONT'D)**Dividend Policy**

The Company has no formal dividend policy. Payment of dividends is subject to the profitability of the Company, cash flow and the solvency requirement of the Mauritian Companies Act 2001. The Company declares dividend in December based on best estimates of yearly results to 31 December.

Shareholders' Agreement affecting the governance of the Company by the Board

The Directors confirm that, to the best of their knowledge, they are not aware of the existence of such agreement for the year under review.

Environmental Issues

The Company is committed to reducing its impact on the environment performance over time. The employees comply with all applicable laws and regulations. We adopt standards, procedures, contingency measures, and management systems to ensure that our operations are managed safely, ecologically and in a sustainable way.

Health and Safety

SWAN has in place well defined procedures and practices with regards to Health and Safety. Wellness programs for employees of the Company are organised regularly.

Social Issues

It is the Company's policy to comply with all applicable laws, rules and regulations. It is the personal responsibility of each Director and employee to adhere to the standards and restrictions imposed by those laws, rules, and regulations.

The Company respects each individual's human rights and will not discriminate on the basis of race, colour, religion, creed, sex, age, social status, family origin, physical or mental disability or sexual orientation, nor will it commit other violations of human rights.

7. AUDIT**Internal Audit**

The Company's internal audit function operates under an outsourcing agreement with PricewaterhouseCoopers Ltd and reports directly to the Group Audit & Risks Committee of SWAN.

Internal Audit is an objective assurance function reporting to the Group Audit & Risks Committee and the Board of Directors. It derives its authority from the Board delegated through the Audit and Risks Committee.

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
DECEMBER 31, 2023**

7. AUDIT (CONT'D)**Internal Audit (cont'd)**

Collectively, Audit Committee members have the necessary financial literacy and expertise. Internal auditors are appointed by the Board of Directors, following recommendation from the Audit and Risks Committee. This information has been published on the website of the Company. The Internal Auditors are responsible for providing assurance to the Board, through the Audit & Risk Committee, regarding the implementation, operation and effectiveness of internal control and risks management. An internal audit charter for SWAN and its subsidiaries is in place.

A 3 -year risk-based road map is prepared for the group. The internal audit plan, which is approved by the Group Audit and Risks Committee, is based on the principles of risk management to align coverage and effort with the degree of risk attributable to the areas audited. The plan is reviewed yearly.

The Internal Auditors have a direct reporting line to the Group Audit & Risks Committee to maintain its independence and objectivity. They also maintain an open and constructive communication with executive management. Moreover, they have direct access to the Chairperson of the Committees and to the Board.

This reporting structure allows the internal auditors to remain independent and report all items of significance to the Board/Group Audit and Risks Committee. They have unrestricted access to the records, management and employees.

They act as a source of constructive advice and best practice, assisting the Group Audit and Risks Committee in its responsibility to improve the processes by which risks are identified and managed. Internal audit reports are sent to the Group Audit & Risks Committee.

Swan Financial Solutions Ltd is a passive investment holding company and a low-risk entity. In that respect, no internal audit has been carried out during the year.

External Audit

Our external auditors are BDO & Co. External auditors are appointed/re-appointed by shareholders annually at the Annual Meeting of Shareholder of the Company. The auditor's remuneration is fixed by the Board, following recommendation from the Audit and Risks Committee, and approved by the Shareholders(s).

External auditors have no restriction place over the right of access to relevant records, management or employees and have unrestricted access to the Group Audit & Risks Committee. The Company is satisfied with the external audit process.

The Group Audit & Risks Committee remain available to external auditors to discuss any key audit matters and significant issues of the management letter, if any. The auditors did not identify any significant issues in relation to the financial statements.

The external auditors meet the members of the Audit & Risks Committee to present and recommend to the board the audited yearly financial statements. The Group Audit & Risks committee has not met with external auditor without management presence.

**CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED
DECEMBER 31, 2023**

7. AUDIT (CONT'D)**External Audit (cont'd)**

BDO & Co has been the auditor of the Company for more than 7 years. There has been a rotation of audit partner in 2021. The following fees were paid to BDO & Co:

For audit services	Rs. 138,000
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8. RELATIONSHIP WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

The Board of Directors places a great importance on open and transparent communication with its shareholders and stakeholders. The main stakeholders of the Company are amongst others, the clients, shareholders, employees, regulators & government authorities, the public and investors.

The Company communicates with its stakeholders through emails, social media, and its annual report, the Company's website through its News Section, provides meaningful information on the Company's products & services and financials.

In compliance with Section 115 & 117 of the Mauritian Companies Act 2001, the Annual Meeting of the Shareholder(s) is conducted through written resolution to approve the annual report of the Company.

Key events are set out below:

May Annual Meeting of Shareholders (By way of Written Resolution)

December Declaration and payment of dividend



Jaiyansing Soobah
for Swan Corporate Affairs Ltd
Company Secretary

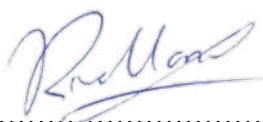
27th May 2024

STATEMENT OF COMPLIANCE**(Section 75 (3) of the Mauritian Financial Reporting Act 2004)****PIE: SWAN FINANCIAL SOLUTIONS LTD (the ‘Company’)**

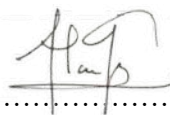
Throughout the year ended 2023, to the best of the Board’s knowledge, the PIE has complied with the National Code of Corporate Governance for Mauritius (2016) (the Code), except for the below:

The Company has not complied with principle 2:

- (i) For having at least two (2) independent directors as it is believed that the composition of the board is adequate having regards to the activities and size of the company.
- (ii) For having a Chairperson who may be independent. The role and function of the Chairperson is separate from that of the Chief Executive Officer.



.....
Louis Rivalland
CHAIRPERSON



.....
Alan Goder
DIRECTOR

DATE: 27 May 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES - YEAR ENDED DECEMBER 31, 2023

Directors acknowledge their responsibilities for:

- (i) adequate accounting records and effective internal control systems;
- (ii) the preparation of financial statements which fairly present the state of affairs of the Company as at the end of the financial year and the results of its operations and cash flows for that period and which comply with International Financial Reporting Standards (IFRS Accounting Standards); and
- (iii) the selection of appropriate accounting policies supported by reasonable and prudent judgements.

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

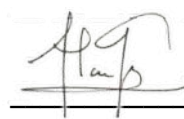
The Directors report that:

- (i) adequate accounting and an effective system of internal controls and risk management have been maintained;
- (ii) appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
- (iii) International financial reporting standards have been adhered to. Any departure in the fair presentation has been disclosed, explained and quantified;
- (iv) The Code of Corporate Governance has been adhered to. Reasons have been provided where there has not been compliance.

Signed on behalf of the Board of Directors on:27th May 2024.....



Louis Rivalland
Director



Alan Goder
Director

SECRETARY'S CERTIFICATE - YEAR ENDED DECEMBER 31, 2023

We, **Swan Corporate Affairs Ltd**, the Company Secretary of Swan Financial Solutions Ltd (the "Company"), hereby certify to the best of our knowledge and belief, that we have filed with the Registrar of Companies, for the year ended December 31, 2023, all such returns as are required of the Company under section S166(d) of the Mauritian Companies Act 2001.



J. Soobah
for **Swan Corporate Affairs Ltd**
Company Secretary

Date: 27 May 2024

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Swan Financial Solutions Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Swan Financial Solutions Ltd (the "Company"), set out on pages 6 to 23 which comprise the statement of financial position as at December 31, 2023, and the statement of profit or loss and other comprehensive, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and comply with the Mauritian Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the "IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholders of Swan Financial Solutions Ltd (Continued)

Responsibilities of Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and in compliance with the requirements of the Mauritian Companies Act 2001, and for such internal control as the Directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors.
- Conclude on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholders of Swan Financial Solutions Ltd (Continued)

Report on Other Legal and Regulatory Requirements*Mauritian Companies Act 2001*

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- We have no relationship with, or interests in, the Company, other than in our capacity as auditor and dealings in the ordinary course of business.
- We have obtained all information and explanations we have required.
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Mauritian Financial Reporting Act 2004

Our responsibility under the Mauritian Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance ("Code") disclosed in the Annual Report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the Annual Report, the Company has, pursuant to section 75 of the Mauritian Financial Reporting Act 2004, complied with the requirements of the Code.

Other Matter

This report is made solely to the Company's Shareholders, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's Shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Shareholders as a body, for our audit work, for this report, or for the opinions we have formed.


BDO & Co
Chartered Accountants

Port Louis,
Mauritius


Didier Dabydin, FCA
Licensed by FRC

27 May 2024

STATEMENT OF FINANCIAL POSITION - DECEMBER 31, 2023

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
ASSETS		Rs' 000	Rs' 000
Non-current assets			
Investments in subsidiary companies	7	<u>531,501</u>	<u>531,501</u>
		<u>531,501</u>	<u>531,501</u>
Current assets			
Other assets	8	4	4
Cash and cash equivalents	9	<u>60,283</u>	<u>57,951</u>
		<u>60,287</u>	<u>57,955</u>
Total assets		<u><u>591,788</u></u>	<u><u>589,456</u></u>
EQUITY AND LIABILITY			
Capital and reserves			
Share capital	10	<u>586,876</u>	<u>586,876</u>
Retained earnings		<u>4,008</u>	<u>1,461</u>
Total equity		<u><u>590,884</u></u>	<u><u>588,337</u></u>
Current liability			
Other payables	11	<u>904</u>	<u>1,119</u>
Total equity and liability		<u><u>591,788</u></u>	<u><u>589,456</u></u>

These financial statements have been approved for issue by the Board of Directors on 27th May 2024



Louis Rivalland
Director



Alan Goder
Director

The notes on pages 10 to 23 form an integral part of these financial statements.
Independent Auditor's report on pages 5 to 5(b).

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME -
YEAR ENDED DECEMBER 31, 2023**

	Notes	2023	2022
		Rs' 000	Rs' 000
Revenue	12	57,000	80,000
Expected credit losses	9(b)	(27)	-
Administrative expenses	13	<u>(1,426)</u>	<u>(7,211)</u>
Profit before tax		55,547	72,789
Income tax	14	<u>-</u>	<u>-</u>
Profit for the year		<u>55,547</u>	<u>72,789</u>
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>55,547</u></u>	<u><u>72,789</u></u>

The notes on pages 10 to 23 form an integral part of these financial statements.
Independent Auditor's report on pages 5 to 5(b).

STATEMENT OF CHANGES IN EQUITY - YEAR ENDED DECEMBER 31, 2023

	Note	Share Capital	Retained earnings/ (Revenue deficit)	Total Equity
		Rs' 000	Rs' 000	Rs' 000
Balance at January 1, 2023		586,876	1,461	588,337
Profit for the year		-	55,547	55,547
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	-	-
Dividends	15	-	(53,000)	(53,000)
Balance at December 31, 2023		586,876	4,008	590,884
Balance at January 1, 2022		586,876	(6,328)	580,548
Profit for the year		-	72,789	72,789
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	-	-
Dividends	15	-	(65,000)	(65,000)
Balance at December 31, 2022		586,876	1,461	588,337

The notes on pages 10 to 23 form an integral part of these financial statements.

Independent Auditor's report on pages 5 to 5(b).

STATEMENT OF CASH FLOWS - YEAR ENDED DECEMBER 31, 2023

	<u>Note</u>	<u>2023</u>	<u>2022</u>
		<u>Rs' 000</u>	<u>Rs' 000</u>
Cash generated from operations			
Profit before tax		55,547	72,789
Adjustments:			
Depreciation of equipment	5	-	7
Amortisation of intangible assets	6	-	5,538
Expected credit losses on cash and cash equivalents	9	27	-
Dividend income	12	(57,000)	(80,000)
Working capital adjustments:			
- Decrease in other assets		-	11
- (Decrease)/ increase in other payables		(215)	659
Net cash flows used in operating activities		<u>(1,641)</u>	<u>(996)</u>
Investing activity			
Dividends received	12	<u>57,000</u>	<u>80,000</u>
Net cash flows generated from investing activity		<u>57,000</u>	<u>80,000</u>
Financing activity			
Dividends paid	15	<u>(53,000)</u>	<u>(65,000)</u>
Net cash flows used in financing activity		<u>(53,000)</u>	<u>(65,000)</u>
Net increase in cash and cash equivalents		2,359	14,004
Cash and cash equivalents at January 1,		57,951	43,947
Expected credit losses on cash and cash equivalents	9	(27)	-
Cash and cash equivalents at December 31,	9	<u><u>60,283</u></u>	<u><u>57,951</u></u>

The notes on pages 10 to 23 form an integral part of these financial statements.

Independent Auditor's report on pages 5 to 5(b).

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2023

1. GENERAL INFORMATION

Swan Financial Solutions Ltd is a private limited company, incorporated on February 29, 2012 and domiciled in Mauritius. The address of the registered office is 10, Swan Centre, Intendance Street, Port-Louis.

These financial statements will be submitted for consideration and approval at the forthcoming Annual Meeting of Shareholders of the Company.

2. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements of Swan Financial Solutions Ltd comply with the Mauritian Companies Act 2001 and have been prepared in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board (IFRS Accounting Standards). These financial statements are that of an individual entity and do not contain consolidated financial information as parent of a group. The financial statements are presented in Mauritian Rupees and all values are rounded to the nearest thousand (Rs 000), except when otherwise indicated. The financial statements are prepared using the going concern principle and under historical cost convention.

Standards, Amendments to published Standards and Interpretations effective in the reporting period**IFRS 17 Insurance contracts**

IFRS 17 creates one accounting model for all insurance contracts in all jurisdictions that apply IFRS Accounting Standards. This standard replaces IFRS 4 - Insurance Contracts. The amendments have no impact on the Company's financial statements.

IAS 1 Presentation of Financial Statements & IFRS Practice Statement 2 Making Materiality Judgements

Disclosure of Accounting Policies: The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material. These amendments have no effect on the measurement or presentation of any items of the Company's financial statements but affect the disclosure of accounting policies of the Company. During the year, only material accounting policies are disclosed in the Company's financial statements.

2. ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

Standards, Amendments to published Standards and Interpretations effective in the reporting period (cont'd)

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

Definition of Accounting Estimates: The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. The requirements for recognising the effect of change in accounting prospectively remain unchanged. The amendments have no impact on the Company’s financial statements.

IAS 12 Income Taxes

Deferred Tax related to Assets and Liabilities arising from a Single Transaction: The amendment clarifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. The amendments have no impact on the Company’s financial statements.

IAS 12 Income Taxes

International Tax Reform — Pillar Two Model Rules: The amendments provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes. The amendments have no impact on the Company’s financial statements.

Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2024 or later periods, but which the Company has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

Effective date January 1, 2024

IAS 1 Presentation of Financial Statements

Classification of Liabilities as Current or Noncurrent: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current.

2. ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

Standards, Amendments to published Standards and Interpretations issued but not yet effective (cont'd)

Effective date January 1, 2024 (cont'd)

IAS 1 Presentation of Financial Statements

Non-current Liabilities with Covenants: Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current.

IAS 7 Statement of Cash Flows & IFRS 7 Financial Instruments: Disclosures

Supplier Finance Arrangements: The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

(b) Investments in subsidiary companies

Investments in subsidiary companies are carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

(c) Equipment

All equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2023

2. ACCOUNTING POLICIES (CONT'D)**(c) Equipment (cont'd)**

Depreciation is calculated on the straight line method to write off the cost of each asset to its residual value over its estimated useful life as follows:

Computer equipment	33.3%
Office equipment	10%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively, if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of equipment are determined by comparing proceeds with carrying amount and are included in profit or loss.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

(d) Intangible assets**(i) *Customer portfolio***

Customer portfolio represents the value of the customer list and is being amortised using the straight line method over a period of ten years.

(ii) *Computer Software*

Acquired computer software licences are capitalised on the basis of costs incurred to acquire and bring to use the specific software and are amortised using the straight line method over their estimated useful lives (5 years).

2. ACCOUNTING POLICIES (CONT'D)

(e) Financial assets

The Company classifies its financial assets based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The Company's accounting policy is as follows:

Amortised cost

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and at bank.

(f) Financial liabilities

The Company classifies its financial liabilities as follows:

Financial liabilities include only other payables, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

(g) Current income tax

The tax expense for the period comprises of current tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current Tax

The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

2. ACCOUNTING POLICIES (CONT'D)**(h) Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation/ depreciation and are tested annually for impairment. Assets that are subject to amortisation/ depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Any impairment loss is recognised for the amount by which the carrying amount of the asset, which includes equipment, intangible assets and investment in subsidiary, exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

(i) Revenue recognition

The Company does not derive revenue that falls under the scope of IFRS 15 and hence will not be applying the standard.

Revenue earned by the Company are recognised on the following bases:

- Dividend income - when the shareholder's right to receive payment is established.

(j) Share capital*Ordinary shares*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from proceeds.

(k) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are declared.

2. ACCOUNTING POLICIES (CONT'D)

(l) Cash and cash equivalents

All of the entity's cash and cash equivalents are considered to have low credit risk and the loss allowance recognised during the period was therefore limited to 12 months' expected losses. The 12-month ECL is calculated as the portion of Lifetime ECL that represent the ECLs that result from default events on financial instrument that are possible within the 12 months after the reporting date. ECL is calculated as the product of EAD, LGD, PD. Probability of Default ("PD") is an estimate of the likelihood of default over a given time horizon which are calculated based on statistical rating models, and assessed using rating tools tailored to the various categories of counterparties and exposures. The Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date. Loss given default ("LGD") is defined as the likely loss intensity in case of a counterparty default. It provides an estimation of the exposure that cannot be recovered in a default event and therefore captures the severity of a loss.

Impairment on cash and cash equivalents has been measured on a 12-month expected credit loss basis. Management consider 'low credit risk' for cash and cash equivalents to be an investment grade credit rating with at least one major rating agency. Speculative grades are assigned to bank and financial institutions having lower level of credit quality compared to investment grades.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2023

3. FINANCIAL RISK MANAGEMENT**3.1 Financial risk factors**

The Company's activity does not currently expose it to financial risks namely market risk (including currency risk, fair value interest risk, cash flow interest risk and price risk), credit risk and liquidity risk.

3.2 Fair value estimation

Except where otherwise stated, the carrying amounts of the Company's financial assets and liabilities approximate their fair values.

3.3 Categories of financial instruments

	2023	2022
	Rs' 000	Rs' 000
Financial assets		
Cash and cash equivalents	60,283	57,951
	60,283	57,951
Financial liabilities		
Other payables	904	1,119
	904	1,119

3.4 Capital risk management

The Company is fully financed by equity.

The Company's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholder by pricing services commensurately with the level of risk.

The Company's gearing ratio is insignificant.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Going concern

The Company's Board has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the Board is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements have been prepared on a going concern basis.

There were no major estimates and assumptions made during the year that have a significant risk of causing material adjustment to the carrying amounts of Company's assets and liabilities within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2023

5. EQUIPMENT

	Computer Equipment	Office Equipment	Total
	Rs' 000	Rs' 000	Rs' 000
COST			
At December 31, 2022 & 2023	278	13	291
DEPRECIATION			
At January 1, 2022	278	6	284
Charge for the year	-	7	7
At December 31, 2022 & 2023	278	13	291
NET BOOK VALUE			
At December 31, 2022 & 2023	-	-	-

6. INTANGIBLE ASSETS

	Customer Portfolio	Computer Software	Total
	Rs' 000	Rs' 000	Rs' 000
COST			
At December 31, 2022 & 2023	55,375	1,466	56,841
AMORTISATION			
At January 1, 2022	49,837	1,466	51,303
Charge for the year	5,538	-	5,538
At December 31, 2022 & 2023	55,375	1,466	56,841
NET BOOK VALUE			
At December 31, 2022 & 2023	-	-	-

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2023

7. INVESTMENTS IN SUBSIDIARY COMPANIES

	<u>2023</u>	<u>2022</u>
	<u>Rs' 000</u>	<u>Rs' 000</u>
At January 1, and December 31	<u><u>531,501</u></u>	<u><u>531,501</u></u>

(a) Details of the subsidiary companies are as follows:

Name	Class of shares held	Year end	Stated Capital Rs'000	Nominal value of investment Rs'000	Proportion of ownership interest (direct)	Place of business/ Country of incorporation	Main business
<u>2023 & 2022</u>							Fund management and investment
Swan Wealth Managers Ltd	Ordinary shares	December 31,	1,600	469,501	100%	Mauritius	and investment
Swan Securities Ltd	Ordinary shares	December 31,	10,000	62,000	100%	Mauritius	Stockbroking

These separate financial statements contain information about Swan Financial Solutions Ltd as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken advantage of the exemption under IFRS 10, 'Consolidated Financial Statements,' from the requirement to prepare consolidated financial statements as it and its subsidiaries are included by full consolidation in the consolidated financial statements of its holding company, Swan Life Ltd that comply with IFRS Accounting Standards. A copy of the consolidated financial statements is available at the head office of Swan Life Ltd found at 10, Swan Group Centre, Intendance Street, Port-Louis.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2023

8. OTHER ASSETS	2023 Rs' 000	2022 Rs' 000
Prepayments	4	4

9. CASH AND CASH EQUIVALENTS	2023 Rs' 000	2022 Rs' 000
Cash at bank	60,310	57,951
Expected credit losses	(27)	-
	60,283	57,951

Cash and cash equivalents are held with bank, with credit rating AAA, having low credit risk.

10. SHARE CAPITAL	2023 Rs' 000	2022 Rs' 000
<u>Authorised and Issued</u>		
At January 1, and December 31	586,876	586,876

The stated number of ordinary shares is 586,876,250 at no par value. All shares are fully paid.

Fully paid ordinary shares carry one vote per share and carry a right to dividends.

11. OTHER PAYABLES	2023 Rs' 000	2022 Rs' 000
Amount due to holding company (<i>Note 16</i>)	723	950
Other payables	181	169
	904	1,119

The carrying amounts of other payables approximate their fair values.

12. REVENUE	2023 Rs' 000	2022 Rs' 000
Dividend income	57,000	80,000

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2023

13. ADMINISTRATIVE EXPENSES	2023	2022
	Rs' 000	Rs' 000
Audit and tax fees	165	162
Depreciation of equipment (Note 5)	-	7
Amortisation of intangible assets (Note 6)	-	5,538
Secretarial fees	480	480
Directors' Fees	30	30
Others	751	994
	1,426	7,211
14. INCOME TAX	2023	2022
	Rs' 000	Rs' 000
Current tax on the adjusted profit for the year at 15% (2022: 15%)	-	-
The tax on the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:		
	2023	2022
	Rs' 000	Rs' 000
Profit before tax	55,547	72,789
Tax calculated at 15% (2022: 15%)	8,332	10,920
Income not subject to tax		
- Annual allowance on assets acquired	(1)	(1)
- Dividend income from resident companies	(8,550)	(12,000)
Expenses not deductible for tax purposes		
- Depreciation	-	1
- Provision for credit impairment	4	830
- Expenses relating to exempt income	215	250
	-	-
15. DIVIDENDS	2023	2022
	Rs' 000	Rs' 000
Final dividend for the year ended December 31 of Rs.0.09 (2022: Rs.0.111) per share	53,000	65,000

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2023

16. RELATED PARTY TRANSACTIONS

	Purchase of services	Dividend income	Amount owed to related parties
	Rs' 000	Rs' 000	Rs' 000
(a) 2023			
Holding company	723	-	723
Subsidiary	-	57,000	-
Fellow subsidiary	480	-	-
2022			
Holding company	950	-	950
Subsidiary	-	80,000	-
Fellow subsidiary	480	-	-

- (i) The above transactions have been made on normal commercial terms and in the normal course of business.
- (ii) The purchases from related parties are made at normal market prices. The outstanding balances at year end are unsecured, interest free and repayable on demand in cash.
- (iii) There has been no guarantees provided for any related party payables.

	2023	2022
	Rs.	Rs.
(b) Key management personnel compensation		
Salaries and short-term employee benefits	167,707	322,164
Post employment benefits	15,040	20,609
	182,747	342,773

17. HOLDING AND ULTIMATE HOLDING COMPANY

The holding company of the Company is Swan Life Ltd, and ultimate holding company is Swan General Ltd. Both companies are incorporated in Mauritius.