

SACOS GROUP LIMITED
INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
30 JUNE 2019

SACOS GROUP LIMITED
GROUP VISION, MISSION AND VALUES

Vision:

- To be the insurer of choice in Seychelles;
- Increase market presence;
- Develop, retain, attract and inspire top talent;
- To attain optimal return on investments;
- Increase shareholder value;
- To be visible and relevant in the community;
- Provide memorable customer experience;
- Establish and develop strong and lasting; collaborative partnerships.

Mission:

Provide market leading insurance solutions by leveraging our financial strength and world class reinsurers, optimising investments to strengthen our financial position, by remaining committed to innovation and service excellence, in partnership with our valued employees and partners.

Values:

- Service excellence
- Trust
- Accountability
- Innovation
- Respect
- Stewardship

SACOS GROUP LIMITED
TABLE OF CONTENTS - 30 JUNE 2019

	PAGES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	1
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	2 - 3
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	4
STATEMENT OF LIFE ASSURANCE FUND	4
CONSOLIDATED STATEMENT OF CASH FLOWS	5

SACOS GROUP LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2019

	THE GROUP					
	HALF YEAR 2019			HALF YEAR 2018		
	Group excluding Life	Life	Consolidated	Group excluding Life	Life	Consolidated
	SCR	SCR	SCR	SCR	SCR	SCR
Turnover	94,553,314	35,147,726	129,701,040	85,584,404	31,506,092	116,539,197
Gross written premiums	94,553,314	35,147,726	129,701,040	85,584,404	31,506,092	116,539,197
Premiums ceded to reinsurers	(32,195,536)	(2,498,020)	(34,693,556)	(25,862,521)	(3,060,344)	(28,922,865)
Change in gross unearned premium	(9,089,552)	-	(9,089,552)	(4,184,306)	-	(4,184,306)
Change in Recoverable from reinsurers - UPR	1,513,335	-	1,513,335	(1,955,894)	-	(1,955,894)
Net premium earned	54,781,561	32,649,706	87,431,267	53,581,683	28,445,748	81,476,132
Gross claims paid	(23,287,773)	(30,107,290)	(53,395,063)	(24,237,200)	(23,672,871)	(47,910,071)
Claims Paid recovered from reinsurers	698,666	-	698,666	2,119,230	-	2,119,230
Movement in gross outstanding claims	(10,417,546)	-	(10,417,546)	(2,533,148)	-	(2,533,148)
Movement in claims recoverable from reinsurers	9,677,320	-	9,677,320	2,358,460	-	2,358,460
Net claims incurred	(23,329,333)	(30,107,290)	(53,436,623)	(22,292,658)	(23,672,871)	(45,965,529)
Commission receivable from reinsurers	4,418,514	921,372	5,339,886	3,547,579	693,125	4,240,704
Commission paid to agents and brokers	(6,787,501)	(1,447,640)	(8,235,141)	(5,564,447)	(1,310,539)	(6,874,986)
Net commission paid	(2,368,987)	(526,268)	(2,895,256)	(2,016,868)	(617,414)	(2,634,283)
Underwriting surplus	29,083,239	2,016,148	31,099,388	29,272,157	4,155,462	32,876,320
Rental income	4,035,064	6,547,146	10,582,209	5,104,863	8,637,109	13,741,972
Income from Financial Assets	1,018,752	5,823,143	6,841,895	93,756	5,362,028	5,455,784
Other income	1,865,010	927,647	2,792,657	2,806,906	529,415	2,023,989
Total Other Income	6,918,826	13,297,936	20,216,761	8,005,525	14,528,552	21,221,746
Staff costs	(14,088,309)	(1,359,548)	(15,447,857)	(13,575,913)	(1,217,060)	(14,792,973)
Sales and Marketing Expenses	(615,589)	(30,097)	(645,686)	(1,533,355)	(89,027)	(1,622,382)
Other operating expenses	(21,671,275)	(9,988,443)	(31,659,718)	(17,420,817)	(6,068,222)	(21,625,409)
Intercompany Recharge	3,349,998	(3,349,998)	-	6,468,651	(6,468,651)	-
Total Expenses	(33,025,175)	(14,728,086)	(47,753,261)	(26,061,434)	(13,842,960)	(38,040,764)
Share of profit in associate	-	387,869	387,869	-	-	-
Profit / (loss) before taxation	2,976,890	973,867	3,950,757	11,216,248	4,841,055	16,057,302
Taxation	(744,222)	-	(744,222)	(2,787,402)	-	(2,787,402)
Profit / (loss) for the year	2,232,668	973,867	3,206,535	8,428,846	4,841,055	13,269,900
Other comprehensive income / (loss) for the year, net of tax:						
<i>Other comprehensive loss not to be reclassified to profit or loss in subsequent periods:</i>						
Fair value change on available-for-sale assets	2,816,756	3,461,894	6,278,650	-	14,308	14,308
Total comprehensive income / (loss) for the year	5,049,424	4,435,761	9,485,185	8,428,846	4,855,363	13,284,208

SACOS GROUP LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

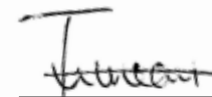
	THE GROUP					
	HALF YEAR 2019			HALF YEAR 2018		
	Group excluding Life SCR	Life SCR	Consolidated SCR	Group excluding Life SCR	Life SCR	Consolidated SCR
ASSETS						
Non-current assets						
Equipment	31,833,604	3,349,142	35,182,745	4,975,163	1,986,628	6,961,791
Investment properties	55,201,449	191,706,147	246,907,596	99,198,941	236,381,147	335,580,088
Intangible assets	3,459,717	363,418	3,823,134	5,079,170	17,180	5,096,350
Investment in financial assets	37,333,817	82,855,208	120,189,025	16,176,488	67,027,566	83,204,054
Investment in preference share	45,000,000	-	-	45,000,000	-	-
Loans and receivables	-	38,013,386	38,013,386	-	39,821,962	39,821,962
Deferred tax assets	154,213	-	154,213	602,490	-	602,490
Investment in Associates	-	20,896,836	20,896,836	-	19,628,783	19,628,783
	172,982,800	337,184,137	465,166,937	171,032,253	364,863,267	490,895,520
Current assets						
Investment in financial assets	20,870,368	59,983,017	80,853,385	19,622,788	78,089,652	97,712,440
Loans and receivables	-	22,783,212	22,783,212	-	21,417,380	21,417,380
Trade and other receivables	125,111,505	11,650,586	136,762,091	98,842,774	10,297,716	109,140,490
Intercompany receivables	-	37,081,068	-	3,226,472	-	-
Cash and cash equivalents	63,548,489	33,356,692	96,905,181	31,347,527	17,152,382	48,499,909
Current tax asset	8,390,859	-	8,390,859	16,364,642	-	16,364,642
	217,921,221	164,854,575	345,694,727	169,404,203	126,957,130	293,134,861
Total assets	390,904,021	502,038,712	810,861,663	340,436,456	491,820,397	784,030,381

SACOS GROUP LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	THE GROUP					
	HALF YEAR 2019			HALF YEAR 2018		
	Group excluding Life	Life	Consolidated	Group excluding Life	Life	Consolidated
	SCR	SCR	SCR	SCR	SCR	SCR
EQUITY AND LIABILITIES						
Capital and reserves						
Share capital	67,000,000	3,000,000	70,000,000	67,000,000	3,000,000	70,000,000
Preference share	-	45,000,000	-	-	45,000,000	-
Retained earnings	55,627,827	(13,598,090)	42,029,737	59,606,169	(13,913,571)	45,692,599
Revaluation reserve	5,212,066	-	5,212,066	2,395,310	-	2,395,310
Total equity	127,839,893	34,401,910	117,241,803	129,001,479	34,086,429	118,087,909
Technical provisions						
Life Assurance Fund	-	449,203,075	449,203,075	-	439,683,828	439,683,828
Gross outstanding claims and IBNR	93,305,418	5,840,120	99,145,538	40,101,566	4,654,139	44,755,705
Gross unearned premiums	73,213,512	-	73,213,512	71,915,570	-	71,915,570
Total technical provisions	166,518,930	455,043,195	621,562,125	112,017,136	444,337,967	556,355,103
LIABILITIES						
Non-current liabilities						
Retirement benefit obligations	4,741,853	794,109	5,535,962	4,561,069	893,567	5,454,636
	4,741,853	794,109	5,535,962	4,561,069	893,567	5,454,636
Current liabilities						
Trade and other payables	51,309,826	11,799,497	63,109,322	94,856,770	9,275,963	104,132,732
Intercompany payables	37,081,068	-	-	-	3,226,471	-
Current tax liability	3,412,450	-	3,412,450	-	-	-
	91,803,344	11,799,497	66,521,772	94,856,770	12,502,435	104,132,733
Total liabilities	96,545,198	12,593,606	72,057,734	99,417,840	13,396,001	109,587,368
Total equity and liabilities	390,904,021	502,038,712	810,861,663	340,436,456	491,820,398	784,030,381



Jennifer Morel
Chief Executive Officer



Tacey Furneau
Chief Financial Officer

SACOS GROUP LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2019

	THE GROUP			
	Share capital	Retained earnings	Revaluation Reserve	Total
	SCR	SCR	SCR	SCR
At 1 January 2018	70,000,000	37,263,751	-	107,263,751
Share of shareholders surplus/(deficit)	-	315,481	-	315,481
Total comprehensive income for the year	-	5,217,838	2,395,310	7,613,148
Dividends	-	(3,000,000)	-	(3,000,000)
At 31 December 2018	70,000,000	39,797,070	2,395,310	112,192,380
Total comprehensive income for the period	-	2,232,667	2,816,756	5,049,423
At 30 June 2019	70,000,000	42,029,737	5,212,066	117,241,803

STATEMENT OF LIFE ASSURANCE FUND

	HALF YEAR 2019	HALF YEAR 2018
	SCR	SCR
At 1 January	444,767,314	434,828,465
Fair value change on available-for-sale assets	3,461,894	14,308
Surplus for the year	973,867	4,841,055
At 30 June	449,203,075	439,683,828

	THE GROUP	
	HALF YEAR 2019	HALF YEAR 2018
	SCR	SCR
Cash flows from operating activities:		
Profit/(Loss) before taxation	3,950,757	16,057,302
<i>Adjustments for:</i>		
Depreciation	2,187,301	676,681
Amortisation of intangible asset	782,908	585,500
Movement in retirement benefit obligations	985,436	266,682
Provision for doubtful debt	1,800,000	-
Movement of Mortgage Protection Fund	(623,506)	(32,250)
Movement of Policy Protection Fund	-	(689,071)
Movement in fair value of investment in financial assets	5,108,587	-
Profit from associate	(387,869)	-
Interest accrued	(6,324,969)	(4,644,152)
Unrealized exchange difference	(214,596)	(3,585,692)
	7,264,049	8,635,000
Changes in working capital		
(Increase)/ Decrease in trade and other receivable	(31,015,694)	(28,327,940)
Increase/ (Decrease) in trade and other payable	14,083,693	36,724,419
Increase/ (Decrease) in gross claims liabilities	12,723,543	5,319,024
Increase/ (Decrease) in Unearned premium	9,089,552	4,184,306
Cash generated from operations	12,145,144	26,534,809
Retirement benefit obligation paid	(572,701)	-
Interest received	1,086,194	302,053
Net tax paid	(2,695,630)	(3,730,071)
Net cash from operating activities	9,963,006	23,106,791
Cash flows from investing activities		
Payments to acquire tangible fixed assets	(5,011,997)	(2,259,475)
Additions to investment in financial assets	(91,691,894)	(48,709,686)
Redemption of investment in financial assets	73,800,000	39,509,775
Proceed from loans and receivables	13,992,656	6,243,128
Disbursement of loans and receivables	(12,554,032)	(3,304,211)
Proceeds from sale of investment properties	51,538,904	-
Net cash used in investing activities	30,073,636	(8,520,469)
Net change in cash and cash equivalents	40,036,643	14,586,322
Increase/(Decrease) in Cash	40,036,643	14,586,322
Cash at the beginning of the year	56,868,538	33,913,587
Total cash at end of the year	96,905,181	48,499,909