

EAGLE

INSURANCE

EAGLE INSURANCE LIMITED
Business registration number: CO6002277

CONDENSED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME		
The Group	Year ended 30-Jun-19 Rs 000	Restated* Year ended 30-Jun-18 Rs 000
Gross premiums	1,248,968	1,148,201
Net written premiums	623,389	551,073
(Loss)/Profit from operations	(6,970)	56,648
Profit before taxation	7,756	70,344
Income tax charges	(2,433)	(10,616)
Profit for the year	5,323	59,728
Other comprehensive income for the year	7,200	6,549
Total comprehensive income for the year	12,523	66,277
Profit attributable to:		
Owners of the parent	5,171	59,412
Non-controlling interests	152	316
Total comprehensive income attributable to:		
Owners of the parent	12,371	65,961
Non-controlling interests	152	316
	12,523	66,277
Earnings per share (Rs/cs)	0.65	7.43

STATEMENTS OF FINANCIAL POSITION			
The Group	Year ended 30-Jun-19 Rs 000	Restated* Year ended 30-Jun-18 Rs 000	Restated* Year ended 30-Jun-17 Rs 000
ASSETS			
Non current assets			
Property, plant and equipment	187,513	72,271	125,804
Intangible assets	16,597	17,443	18,606
Deferred tax assets	13,607	8,505	-
Investments	479,356	586,892	701,385
	697,073	685,111	845,795
Current assets	2,559,267	2,388,038	1,595,683
Held-for-sale	121,483	121,483	-
TOTAL ASSETS	3,377,823	3,194,632	2,441,478
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent	908,188	920,227	876,666
Non-controlling interests	449	395	79
Total equity	908,637	920,622	876,745
Non current liabilities	16,866	16,111	7,237
Current liabilities	2,452,320	2,257,899	1,557,496
TOTAL EQUITY AND LIABILITIES	3,377,823	3,194,632	2,441,478
Net assets per share (Rs/cs)	113.52	115.03	109.58

STATEMENTS OF CHANGES IN EQUITY						
The Group	Equity attributable to owners of the parent					
	Share Capital Rs 000	Restated* Other Reserves Rs 000	Restated* Retained Earnings Rs 000	Restated* Total Rs 000	Non- Controlling Interests Rs 000	Restated* Total Equity Rs 000
At 1 July 2017 (as previously stated)	80,000	91,145	675,119	846,264	79	846,343
Effect of prior year adjustments	-	51,303	(20,901)	30,402	-	30,402
At 1 July 2017 (as restated)	80,000	142,448	654,218	876,666	79	876,745
Dividends	-	-	(22,400)	(22,400)	-	(22,400)
Transfer to retained earnings	-	(787)	787	-	-	-
Total comprehensive income for the year	-	6,549	59,412	65,961	316	66,277
At 30 June 2018 (as restated)	80,000	148,210	692,017	920,227	395	920,622
At 1 July 2018 (as restated)	80,000	148,210	692,017	920,227	395	920,622
Effect of adopting IFRS 9	-	(29,901)	29,491	(410)	-	(410)
At 1 July 2018	80,000	118,309	721,508	919,817	395	920,212
Dividends	-	-	(24,000)	(24,000)	-	(24,000)
Dividends paid to non-controlling interests	-	-	-	-	(98)	(98)
Total comprehensive income for the year	-	7,200	5,171	12,371	152	12,523
At 30 June 2019	80,000	125,509	702,679	908,188	449	908,637

STATEMENTS OF CASH FLOWS		
The Group	Year ended 30-Jun-19 Rs 000	Restated* Year ended 30-Jun-18 Rs 000
Net cash generated from operating activities	81,538	10,418
Net cash used in investing activities	(68,717)	(3,788)
Net cash used in financing activities	(24,000)	(22,400)
Decrease in cash & cash equivalents	(11,179)	(15,770)
Cash & cash equivalents at beginning of the year	354,478	373,812
Exchange gains/(losses) on cash & cash equivalents	2,912	(3,564)
Cash & cash equivalents at end of the year	346,211	354,478

COMMENTS

Basis of Accounting

The condensed financial statements for the year ended 30 June 2019 are audited by Messrs Ernst & Young and have been prepared using the same accounting policies and methods of computation as those adopted in the statutory financial statements for the year ended 30 June 2019.

Results

Gross premiums for the year ended 30 June 2019 grew by an appreciable 9% from Rs 1.15 Billion last year to Rs 1.25 Billion this year. The increase was mainly attributable to our Health segment.

The year was however exceptionally challenging, with underwriting results and profits significantly impacted by a higher claims ratio, particularly in our Motor segment. Remedial actions are being pursued in terms of more disciplined underwriting principles, coupled with more effective claims management to progressively improve the portfolio and restore operational profits.

On the investment side, our portfolio posted appreciable returns although a conservative approach was adopted in the light of accrued geopolitical tensions in the world. We will maintain the cautious approach for the coming year.

Other comprehensive income increased by Rs 0.7 M, from Rs 6.5 M to Rs 7.2 M.

Earnings per share was Rs 0.65 (LY: Rs 7.43 (Restated)) while net assets per share stood at Rs 113.52 (LY: Rs 115.03 (Restated)).

Adoption of new accounting standards

The Group has recorded the impact of applying IFRS 9 for the first time on its 1 July 2018 financial statements.

Prior year adjustments

*Prior year adjustments were also booked and the corresponding comparatives adjusted. The net effect is a decrease of Rs 34.7 M in Total Comprehensive Income of the previous year. The main adjustments were on insurance receivables and claims incurred.

Dividends

An interim dividend of Rs 1.10 per share was paid in April 2019. In view of the financial results for the year ended 30 June 2019, the directors have decided not to declare any additional dividend.

By order of the Board IBL Management Ltd Secretary

15 October 2019

Copies of these condensed audited financial statements are available to the public, free of charge, at the Company's registered office, 4th Floor, IBL House, Caudan Waterfront, Port Louis or may be viewed on the Company's website: www.eagle.mu. This Communication is issued pursuant to Listing Rule 12.14 and Securities Act 2005. The Board of Directors of Eagle Insurance Limited accepts full responsibility for the accuracy of the information contained in this audited condensed report.

The statement of direct and indirect interests of officers of the Company required under rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request, free of charge, from the Secretary, at 4th Floor, IBL House, Caudan Waterfront, Port Louis.

SEGMENTAL INFORMATION						
The Group	Year ended 30-Jun-19			Restated* Year ended 30-Jun-18		
	Casualty Rs000	Property Rs000	Total Rs000	Casualty Rs000	Property Rs000	Total Rs000
Gross premiums	763,667	485,301	1,248,968	663,703	484,498	1,148,201
Underwriting results	8,205	122,433	130,638	97,547	107,229	204,776
Investment and other income			42,985			36,801
Management expenses, depreciation & amortisation			(180,593)			(184,929)
Share of profit of associate			14,726			13,696
Profit before taxation			7,756			70,344