

Condensed Unaudited Financial Statements - Half Year and Quarter Ended June 30, 2021

The Directors are pleased to present the condensed unaudited financial statements of the Group and the Company for the Half Year and Quarter Ended June 30, 2021.

(a) Basis of accounting

The condensed financial statements of the Group and the Company are unaudited and have been prepared using the same accounting policies as the audited financial statements for the year ended December 31, 2020.

The comparative figures for the half year and the quarter ended June 30, 2020 have been restated to align with accounting treatment in the year end reporting financial statements.

(b) Operations

Gross earned premium income has increased by 21% compared to the same period last year confirming the positive trend observed during the first quarter.

(c) Investments

Our investments continued to grow in the second quarter on the back of a strong pick up of the local equity portfolio and a strategic positioning of foreign assets. On the local side, the stock exchange registered a robust double-digit performance, driven by positive market sentiment and by

the confirmed dates for a re-opening of our national borders. Internationally, global equity indices continued their ascent, supported by accelerating vaccination roll-outs and an expansion in global activity amidst continuing massive monetary supports from major central banks.

On the fixed income front, the portfolio continued to deliver acceptable returns. Issuances increased on the local market driving yields higher, although excess liquidity remained unchanged quarter-on-quarter. On the international side, treasury yields closed lower on the back of concerns over the COVID delta variant and a consensus that the inflationary pressure will be transitory.

For and on behalf of the Board of Directors
Swan Corporate Affairs Ltd
Company Secretary
August 13, 2021

1. Statements of Financial Position

	THE GROUP		THE COMPANY	
	Unaudited as at June 30, 2021 Rs'000	Audited as at Dec 31, 2020 Rs'000	Unaudited as at June 30, 2021 Rs'000	Audited as at Dec 31, 2020 Rs'000
Assets				
Non-current assets				
Property and equipment	267,676	277,520	242,423	252,092
Investment properties	422,227	425,317	384,961	388,058
Investments in subsidiary companies	-	-	548,512	548,512
Investments in associated companies	31,137	25,669	4,364	4,364
Available-for-sale financial assets	26,698,645	23,129,816	26,668,267	23,107,337
Held-to-maturity financial assets	11,854,487	11,238,790	11,514,203	11,044,817
Loans and receivables	6,255,451	5,733,624	6,255,451	5,733,624
Other non-current assets	105,868	108,002	16,552	15,387
Total non-current assets	45,635,491	40,938,738	45,634,733	41,094,191
Current assets	7,288,052	7,495,652	6,809,060	7,014,945
Total assets	52,923,543	48,434,390	52,443,793	48,109,136
Equity and liabilities				
Capital and reserves				
Share capital	26,322	26,322	26,322	26,322
Reserves	1,708,895	1,568,299	1,554,266	1,525,182
Owners' interest	1,735,217	1,594,621	1,580,588	1,551,504
Non-controlling interests	245,109	221,593	-	-
Total equity	1,980,326	1,816,214	1,580,588	1,551,504
Life Assurance Fund	49,654,705	45,084,339	49,654,705	45,084,339
Other technical provisions	478,374	366,836	478,374	366,836
Total technical provisions	50,133,079	45,451,175	50,133,079	45,451,175
Non-current liabilities				
Retirement benefit obligations	159,770	160,050	144,297	144,297
Other non-current liabilities	58,104	61,308	57,249	58,773
Total non-current liabilities	217,874	221,358	201,546	203,070
Current liabilities	592,264	945,643	528,580	903,387
Total equity and liabilities	52,923,543	48,434,390	52,443,793	48,109,136

2. Statements of Profit or Loss and Other Comprehensive Income

	THE GROUP				THE COMPANY			
	Half Year Ended June 30, 2021 Rs'000	Half Year Ended June 30, 2020 Restated Rs'000	Quarter Ended June 30, 2021 Rs'000	Quarter Ended June 30, 2020 Restated Rs'000	Half Year Ended June 30, 2021 Rs'000	Half Year Ended June 30, 2020 Restated Rs'000	Quarter Ended June 30, 2021 Rs'000	Quarter Ended June 30, 2020 Restated Rs'000
Gross earned premiums	2,493,514	2,056,639	1,255,116	955,374	2,493,514	2,056,639	1,255,116	955,374
Net earned premiums	2,425,568	1,939,581	1,224,912	910,369	2,425,568	1,939,581	1,224,912	910,369
Share of results of associated companies	(225)	(8,605)	(69)	(591)	-	-	-	-
Movement in Life Assurance Fund	(1,193,512)	(1,870,285)	(538,551)	(581,049)	(1,193,512)	(1,870,285)	(538,551)	(581,049)
Profit before taxation	180,964	162,551	101,483	67,357	29,084	46,527	13,508	13,658
Taxation	(26,140)	(4,981)	(14,985)	(8,092)	-	-	-	-
Profit for the period	154,824	157,570	86,498	59,265	29,084	46,527	13,508	13,658
Other comprehensive income for the period	3,386,142	(4,165,585)	3,110,656	1,846,129	3,376,854	(4,156,889)	3,100,161	1,851,565
Movement in Life Assurance Fund	(3,376,854)	4,156,889	(3,100,161)	(1,851,565)	(3,376,854)	4,156,889	(3,100,161)	(1,851,565)
Other comprehensive income for the period, net of tax	9,288	(8,696)	10,495	(5,436)	-	-	-	-
Total comprehensive income for the period	164,112	148,875	96,993	53,829	29,084	46,527	13,508	13,658
Profit for the period attributable to:								
Owners of the parent	132,073	135,543	73,222	51,053	29,084	46,527	13,508	13,658
Non-controlling interests	22,751	22,027	13,276	8,212	-	-	-	-
Total comprehensive income for the period attributable to:	154,824	157,570	86,498	59,265	29,084	46,527	13,508	13,658
Owners of the parent	140,596	128,131	82,798	45,685	29,084	46,527	13,508	13,658
Non-controlling interests	23,516	20,744	14,195	8,144	-	-	-	-
Total comprehensive income for the period attributable to:	164,112	148,875	96,993	53,829	29,084	46,527	13,508	13,658
Earnings per share (Rs/cts)	50.18	51.49	27.82	19.40	11.05	17.68	5.13	5.19

3. Statements of Changes in Equity

	Attributable to owners of the parent					Non-Controlling Interests Rs'000	Total Equity Rs'000
	Share Capital Rs'000	Retained Earnings Rs'000	Amalgamation Reserve Rs'000	Other Reserves Rs'000	Total Rs'000		
THE GROUP							
Balance at January 1, 2021	26,322	1,523,412	61,214	(16,327)	1,594,621	221,593	1,816,214
Profit for the period	-	132,073	-	-	132,073	22,751	154,824
Other comprehensive income for the period	-	-	-	8,523	8,523	765	9,288
Balance at June 30, 2021	26,322	1,655,485	61,214	(7,804)	1,735,217	245,109	1,980,326
Balance at January 1, 2020	26,322	1,162,074	61,214	(18,755)	1,230,855	201,146	1,432,001
Profit for the period	-	135,543	-	-	135,543	22,027	157,570
Other comprehensive income for the period	-	-	-	(7,412)	(7,412)	(1,283)	(8,695)
Other movement	-	-	-	17,315	17,315	-	17,315
Balance at June 30, 2020	26,322	1,297,617	61,214	(8,852)	1,376,301	221,890	1,598,191
THE COMPANY							
Balance at January 1, 2021	26,322	995,539	61,214	468,429	1,551,504	-	1,551,504
Profit for the period	-	29,084	-	-	29,084	-	29,084
Balance at June 30, 2021	26,322	1,024,623	61,214	468,429	1,580,588	-	1,580,588
Balance at January 1, 2020	26,322	723,634	61,214	468,429	1,279,599	-	1,279,599
Profit for the period	-	46,527	-	-	46,527	-	46,527
Balance at June 30, 2020	26,322	770,161	61,214	468,429	1,326,126	-	1,326,126

4. Statements of Cash Flows

	THE GROUP		THE COMPANY	
	Half Year Ended June 30, 2021 Rs'000	Half Year Ended June 30, 2020 Restated Rs'000	Half Year Ended June 30, 2021 Rs'000	Half Year Ended June 30, 2020 Restated Rs'000
Net cash generated from operating activities	1,014,403	905,389	918,630	919,922
Net cash generated from investing activities	134,494	412,443	242,444	564,182
Net cash used in financing activities	(158,528)	(175,869)	(157,978)	(157,923)
Increase in cash and cash equivalents	990,369	1,141,963	1,003,096	1,326,181
Movement in cash and cash equivalents				
At January 1,	2,734,361	3,219,496	2,297,954	2,643,840
Increase during the period	990,369	1,141,963	1,003,096	1,326,181
Effects of exchange rate changes	93,158	76,204	92,356	75,683
At June 30,	3,817,888	4,437,663	3,393,406	4,045,704

This Communiqué is issued pursuant to DEM Rule 17 and published as per the Securities Act 2005.

Copies of these condensed unaudited financial statements and the statement of officers' interests are available to the public free of charge with the Secretary, at the Company's registered office, Swan Centre, 10 Intendance Street Port Louis. The Board of Directors of Swan Life Ltd accepts full responsibility for the accuracy of the information contained in this communiqué.

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